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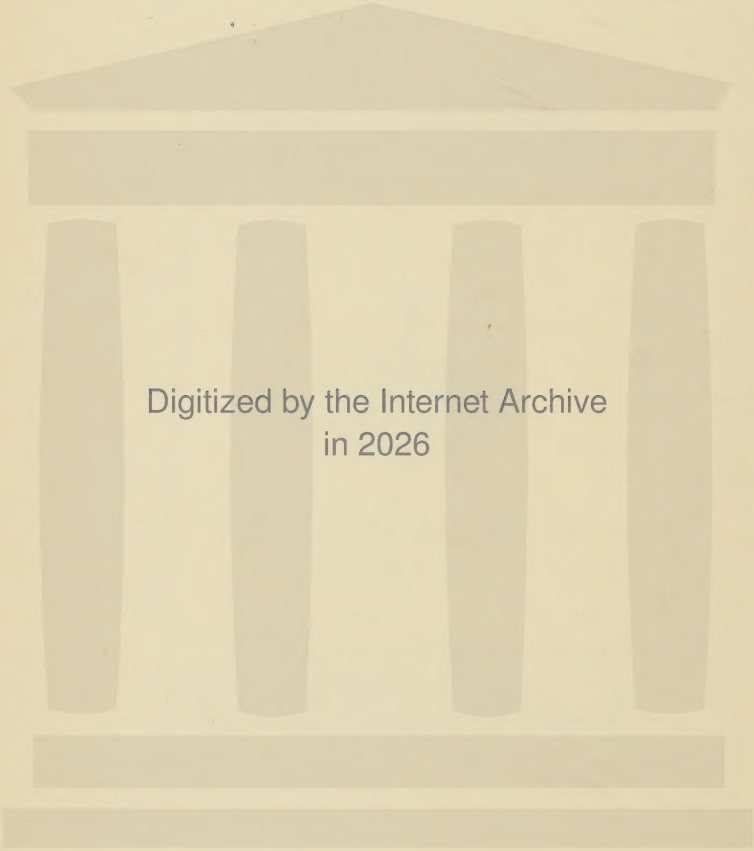
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SURVEY OF

INTERNATIONAL AFFAIRS

1924

SURVEY OF INTERNATIONAL AFFAIRS

1924

BY

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(both on the Sir Daniel Stevenson Foundation)

With a Preface by the

RT. HON. H. A. L. FISHER

Impendent atrae formidinis ora superne.

Lucretius VI, 254.

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PREFACE

To the question which has sometimes been asked, whether it is possible to write contemporary history, this survey of international affairs in 1924, composed with a conspicuous mastery of facts and forces by Mr. Arnold Toynbee, supplies an affirmative answer. It is at once a magazine of detailed information of the utmost value to the publicist and the Parliamentarian, and a history of international movements and transactions during a limited time. The plan of the series is professedly annalistic, but Mr. Toynbee has wisely determined to transgress strict chronological limits whenever it may seem desirable to do so in the interests of clarity and comprehension. Thus he supplies an excellent sketch of the problem of security and disarmament from the Peace of Versailles to the end of the Fifth Assembly of the League of Nations, and again in dealing with such large subjects as the movements of population and the history of the Reparation Problem he has composed a narrative the limits of which are determined not by strict consideration of chronology but by the demands of the subject itself.

The design of this series of historical volumes is severely practical. They are intended to provide a 'corpus' of exact information upon the progress of international affairs which may be of service to speakers and writers on politics. 'These volumes', writes Mr. Gathorne Hardy, introducing the *Survey of International Affairs, 1920–3*, 'are confined to facts.' Mr. Toynbee, however, does not

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wholly confine himself to facts. He is fertile in large historical ideas and suggestive comparisons and does not refrain from political commentary altogether. We do not think that his volume loses in practical value by reason of these stimulating excursions. Mr. Toynbee keeps an impartial mind. While his main object has clearly been to supply a body of hard and well-tested material, which may be used with confidence in any political interest, no matter what it be, and while he has been careful to avoid political judgements which might arouse suspicion, his survey is illumined by analogies drawn from wide reading, and is remarkable for its sense of historical values.

If I have a criticism to offer it is that some stress might have been laid upon the preoccupation of the French Government with their project of going into the Ruhr as a factor determining the attitude of the Quai d'Orsay towards the proposal of Mr. Lloyd George's Government for a defensive pact. The French Government had made up their minds to go into the Ruhr; they were convinced that in this course they would be opposed by the British Cabinet; and while they appreciated the importance to themselves of keeping some kind of British offer alive, they were resolved not to fetter themselves by an engagement to Britain until the Ruhr Policy had been thoroughly tried out. It was, in other words, the shadow of the Ruhr which principally delayed for several years the solution of the problem of security and disarmament. The second course which was obstructive of a settlement has been touched upon by Mr. Toynbee. It was the determination of the French Government, backed by the French General Staff, to obtain from Britain some assurance more definite than that comprised in the Covenant

of the League of Nations that British help would be available for the defence of Poland against aggression. It was only after the Ruhr had been tried and failed, and it had become clear from the discussions in England on the Geneva Protocol that the British Government could not commit its people to military enterprises in Eastern Europe, that the ground was cleared for the arrangements as to arbitration and security which have now fructified in the Treaties of Locarno. The truth is that it became apparent at the First Assembly of Geneva that the French would not be prepared to consider any project for disarmament (by which phrase is meant a reduction of armaments to the limits required for domestic protection and the discharge of existing international obligations) until they had obtained a measure of security at least equivalent to that which would be conferred upon them by the possession of the bridgeheads on the Rhine. On further consideration they became convinced that even this was not adequate and that they needed a further guarantee from Britain of the whole structure of the Peace Treaties. The Treaty of Mutual Assistance and the Geneva Protocol were successive attempts to satisfy this demand, so far as it could be done without entailing obligations which the British Empire would be unwilling to face.

Mr. Toynbee has traced with precision and discernment the successive stages which have led up to the German offer of 1925. He has also supplied a narrative full of vivid and substantial detail of the ill-starred occupation of the Ruhr and of the Separatist movements in Western Germany, bringing out the manner in which these movements were supported by the French, the evils which they occasioned, and the lack of public support behind

them. When the dust and tumult of these deplorable transactions were overpast, it became possible to make an arrangement for the settlement of the Reparation Problem, and here Mr. Toynbee does good service by pointing out the extent to which the operations of the Dawes Committee were assisted by the action of the League of Nations in Austria and in Hungary. The work of the League in rehabilitating the finances of these two impoverished lands afforded a model which, with the necessary modifications, could be followed on a larger scale in Germany. The more the history of this period is studied, the more clearly does it emerge that the existence of the League, standing as it does for ideals of international co-operation, has been of real and substantial service in effecting, albeit by slow and gradual stages, the appeasement of Europe.

H. A. L. FISHER.

NOTE BY THE WRITER

In the planning of this volume, the first object in view has been to carry the survey of international affairs down to the end of the year 1924 in four fields: the problem of Security and Disarmament; the question of emigration and immigration; the relations of the Third International and the Union of Soviet Socialist Republics with one another and with the rest of the world; and the relations between the Allies and Germany. Owing to the difficulty of giving an adequate account of the history of four years within the compass of a single volume of this size, it had proved impossible to bring the record up to date in these fields in the *Survey for 1920–3*; and therefore the present volume, though it bears the title of a *Survey of International Affairs for 1924*, has had to cover, under these four heads, the history, not of a single year, but of six years under the first, five under the second, and two under the third and fourth.

This necessity, imposed by the purely practical exigencies of space, has carried with it one distinct advantage. It has made it possible to treat as a whole developments which went forward continuously from one year to another. For example, the two United States Immigration Laws of 1921 and 1924 have been presented in relation to one another, instead of being isolated in separate volumes; and the history of the Reparation Problem has been carried from the Franco-Belgian invasion of the Ruhr on the 11th January, 1923, down to the Paris Conference of Allied Finance Ministers on the 7th–14th January, 1925, without the narrative being interrupted at the turn of the calendar year.

The corresponding disadvantage is that, space being limited, the necessity of making up arrears in four fields has involved creating fresh arrears in others. For example, it has been necessary to reserve for the next volume (the *Survey for 1925*) the record of the numerous and important technical activities of the League of Nations and the International Labour Organization, and likewise the record of international relations on the American Continent (apart from the Immigration Question), although both these parts are already written. Room will also have to be found in the next

volume for the history of the Islamic World from the points where the sixth volume of the *History of the Peace Conference of Paris* leaves off, and for the history of the Far East and the Pacific from the close of the Washington Conference, which was the terminal point of the *Survey for 1920–3* in this field.

The writer has to acknowledge, for this as well as for the preceding volume, his deep obligation and his equally profound gratitude to the members and the staff of the British Institute of International Affairs. Once again a number of members have generously given him the benefit of their special knowledge in various fields ; and once again the staff have collaborated at every stage in the production of the work with unfailing zeal and efficiency. But for this assistance, the writer's task would have been impossible.

He has also acknowledgements to make for the permission courteously given to him to reproduce from elsewhere five of the maps which accompany this volume. The two maps of the U.S.S.R. are reproduced by the courtesy of *Russian Information and Review* ; the map of Jubaland by the courtesy of *The Times* ; and the two maps of Fiume by the courtesy of Signor G. Benedetti the author and Signor N. Zanichelli (Bologna) the publisher of *La Pace di Fiume.*

A. J. T.

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Errata in 'Survey of International Affairs, 1920–3'

Page 240, lines 23 and 24 :

For *Esthonia and Latvia had declared their independence during November, 1918,* read *Esthonia and Latvia had declared their independence on the 24th February and 18th November, 1918, respectively*

Page 244, line 19 :

For *Riga* read *Reval*

Page 339, line 8 :

For *Lausanne Treaty* read *Treaty of Neuilly*

Page 359, line 10 :

For *Article 11 of the Covenant* read *Article 15 of the Covenant*

Page 397, line 23 :

For *Mr. C. R. Hofmeyr* read *Mr. G. R. Hofmeyr*

PART I

WORLD AFFAIRS

A. SECURITY AND DISARMAMENT

(i) Introductory Note.

In the following sections an attempt is made to trace the history of the Security and Disarmament Problem during the six years ending in the Fifth Session of the Assembly of the League of Nations (September 1924). The transformation which the problem underwent during this short period was remarkable. In 1919 it was governed by the efforts of Marshal Foch to obtain the Rhine frontier for France ; by 1924 it had become involved in the constitutional relations between the self-governing members of the British Commonwealth ; but this change was not the most important. The turning-point in the history of the problem was the recognition that it could not be solved by purely private agreements between two or more countries, however powerful and however pacifically minded, but that it was a question of international concern which could only be handled successfully within the framework of some international organization. It also became apparent that a solution of it could only be found if its two aspects—Security and Disarmament—were taken into consideration concurrently. At this point the problem was transferred, by tacit consent, from the domain of the Supreme Council to the domain of the League of Nations, where Lord Robert Cecil took the initiative in attempting to fashion a precise diplomatic instrument out of the desires and experiences which had taken substance in the community of nations during the past few years. The production of the draft Treaty of Mutual Assistance—for which Lord Robert Cecil shared the credit with Colonel Réquin and the other members of the Temporary Mixed Commission of the League—was perhaps the decisive practical step, since this document embodied the essential provisions for a general pact of security and disarmament in their essential relation with one another. Great temples, however, are built by many hands. Mr. MacDonald and M. Herriot

extended Lord Robert Cecil's plan by adding the element of arbitration; and, on the triple basis of Arbitration, Security, and Disarmament, the Geneva Protocol of 1924 was constructed by the labours of M. Beneš, M. Politis, and other skilled artificers. This was a great step in advance; yet, at the time of writing, it was already apparent that the Protocol would not be the final structure, but was destined, like the draft Treaty of Mutual Assistance, to mark one stage—important but not definitive—in the gradual solution of the problem.

(ii) Negotiations for an Anglo-French Pact.[1]

The problem of securing France against future attacks by Germany had weighed upon the minds of the French people ever since the termination of the Franco-German War of 1870–1, and with the outbreak of the War of 1914 and the renewed invasion of French soil by German armies it began also to engage the attention of France's Allies. In 1870–1 three things had happened: France single-handed had been proved to be no match for the united forces of the German states; the victorious German states had formed a permanent union in a new German *Reich*; and the *Reich*, by compelling France, in the Treaty of Frankfurt, to cede Alsace and parts of Lorraine, had shifted the Franco-German frontier to a line which suited Germany on strategic as well as political grounds. From 1914 onwards, therefore, the problem presented itself under the three aspects of a possible revision of frontiers, a possible dissolution of the German *Reich* into its constituent states, and a possible arrangement for assuring to France the permanent support of some or all of her present Allies against any future German aggression. These possibilities were discussed between certain of the Allies while the War was still in progress, and two of them were partially settled immediately after its termination. As a result of the retrocession to France of her lost provinces, the Franco-German frontier was set back to the line of 1815–70, while on the other hand the unity of the German *Reich* survived defeat and revolution. It remained to be seen, however, whether French opinion would remain content with a settlement on these lines, and whether, if France made up her mind to demand more at Germany's expense, her Allies could

[1] British Blue Book: *Papers respecting Negotiations for an Anglo-French Pact* (*Cmd.* 2169 of 1924); and French Yellow Book: *Documents relatifs aux négociations concernant les garanties de sécurité contre une agression de l'Allemagne* (10 janvier, 1919–7 décembre, 1923).

persuade her to relinquish such aspirations by offering her alternative guarantees.

During 1919 (when the dominating personality on the French side was Marshal Foch, although his extreme view did not in the end prevail in the French counsels) France was under the overwhelming influence of two factors—the recent German invasion of her soil and the disappearance of her continental military Ally, Russia—and her formula for securing herself against the repetition of the one and compensating herself for the other was a military frontier along the Rhine. In Marshal Foch's opinion, the Rhine was so admirable a military barrier from the technical point of view that France could hold it till the tardy reinforcements of her new overseas Allies, with their peace-time voluntary service, could be brought upon the scene. 'Ce fleuve règle tout. Quand on est maître du Rhin, on est maître de tout le pays. Quand on n'est pas sur le Rhin, on a tout perdu.' [1] Of such capital importance did the military line of the Rhine appear to Marshal Foch, and so eager was he to secure the maintenance of that line under the political, as well as the military, conditions which he prescribed, that he preferred to hold it under these conditions, even if that meant holding it with French forces alone and sacrificing the military, diplomatic, and moral support of the British Commonwealth and the United States. This view of Foch's was avowed on the 2nd September, 1919, by M. Tardieu,[2] and he rightly plumed himself on the fact that M. Clemenceau's Government had chosen to accept a reduction of the Marshal's conditions rather than sacrifice Allied solidarity.

The settlement which had in fact been accepted by the Supreme Council and embodied in the Versailles Treaty provided that the territory left to Germany on the left bank of the Rhine after the cession of the *Reichsland*, Eupen and Malmédy, together with a zone fifty kilometres broad along the right bank of the river, should be demilitarized in perpetuity,[3] and that the territory on the left bank, together with three bridgeheads on the right bank, should remain for fifteen years under the military occupation of the Allies, which had been established under the Armistice.[4] It also provided, how-

[1] French Yellow Book, No. 13, p. 54. (See also Nos. 1, 5, and 9 for earlier statements of Marshal Foch's view.)

[2] *Ibid.*, No. 16.

[3] Versailles Treaty, Arts. 42 and 43.

[4] Thus the areas of demilitarization and occupation did not entirely coincide, since the three bridgeheads beyond the Rhine did not constitute a continuous zone. (Versailles Treaty, Art. 428.)

ever, that, if the conditions of the Treaty were 'faithfully carried out' by Germany, this occupied territory inside the new western frontier of Germany should be evacuated in three stages, the Allied troops retiring from successive zones after five, ten, and fifteen years respectively from the coming into force of the Treaty; and this meant that, unless Germany failed to fulfil her engagements, Cis-Rhenane Germany was to be evacuated entirely within fifteen years from that date at the latest.[1] From the French point of view this was a very important concession, and the French Government was only induced to make it in consideration of the Franco-British and Franco-American Treaties of Guarantee, which were signed on the 28th June, 1919, simultaneously with the Treaty of Peace between the Allies and Germany. The terms of these two instruments and the reasons why they failed to come into force have been set forth in the preceding volume,[2] where some account will also be found of the effect which this disappointment of expectations produced upon the psychology of the French people and the policy of the French Government during the following years.

This temper reached its climax in the occupation of the Ruhr Basin in 1923, and the reaction from it did not declare itself in practical form until the fall of M. Poincaré and the accession of M. Herriot to office in June 1924. It is to be noted, however, that the resentment aroused by the lapse of the British and American Treaties of Guarantee persisted several years longer than the particular view of the European situation which had caused the French Government and people to set such store by these two instruments at the time of their negotiation.

With the Russian Empire in ruins and Central Europe in the melting pot, Marshal Foch, in 1919, had looked across the Rhine with the eyes of a Caesar or a Julian, confronting what seemed to be an illimitable world of aggressive barbarians.

> To-day [he wrote on the 10th January, 1919,[3] just a year before the coming into force of the Versailles Treaty] the fate of Russia is uncertain—no doubt for many years to come. In consequence Western Europe, the cradle and the necessary guarantee of the future organization of the nations, can only count upon her own forces to approach, prepare and assure her future over against Germany and a possible

[1] Versailles Treaty, Arts. 428–9. Art. 431 further provided that 'if before the expiration of the period of fifteen years Germany complies with all the undertakings resulting from the present Treaty, the occupying forces will be withdrawn immediately'.

[2] *Survey of International Affairs, 1920–3*, pp. 58–9.

[3] French Yellow Book, No. 1.

> aggression [on her part] . . . . In order to arrest German [military] enterprises in a westerly direction . . . or at all events to postpone the military decision, recourse must be had in the first place to all the means provided by Nature, and Nature has only placed one barrier across the line of invasion : the Rhine. This barrier must be utilized and contested, and to this end it must be already occupied and organized in time of peace. Without this basic precaution, Western Europe remains bereft of any natural frontier and continues, as in the past, to be exposed to the dangers of an invasion which may be more violent than ever. Without this precaution, the industrialized and pacific countries of North-Western Europe are immediately submerged by the devastating floods of barbarian warfare which find no dyke to arrest them. . . . It is . . . a question of maintaining at the Rhine the common barrier of security which is necessary to the League of democratic Nations.

In writing these words at that date, Marshal Foch spoke for his countrymen ; but in the course of the next two years, as Trans-Rhenane Europe gradually emerged from chaos, the landscape began to take on a fresh aspect in French eyes. If Republican Germany and Soviet Russia had shown themselves unexpectedly capable of survival and, therefore, unexpectedly formidable to France on a long view, it was equally evident that the states created or enlarged by the Peace Treaties, whose destinies, at the moment of their birth, had seemed too uncertain to be taken into account, were rapidly consolidating their position. In fact, Trans-Rhenane Europe had ceased to present an unrelieved aspect of menace, from which France could only be saved by the Rhine frontier or by an overseas alliance or by a combination of the two. The Continent as a whole was returning to stability, and, as the immediate terror of invasion wore off, France began to think once more in the old terms of a balance of continental military power. The Franco-Polish Treaty was signed on the 19th February, 1921 ; Poland was linked up with Rumania by the Treaty of the 3rd March, 1921 ; the structure of the 'Little Entente' between Czechoslovakia, Jugoslavia, and Rumania was completed by the Rumanian-Jugoslav Treaty on the 7th June, 1921 ; and although this South-Eastern system of alliances was established by the signatories primarily with a view to their own local interests, these interests were closely connected with those of France by the fact that they rested on the common basis of the four European Peace Treaties.[1] Thus, by the close of the year 1921, these 'successor states' of the Hohenzollern, Hapsburg, and Romanov Empires had come to fill the place, in the

[1] For the Franco-Polish and Polish-Rumanian Treaties and the formation of the 'Little Entente', see *Survey, 1920–3*, Part III, (ii) 3 (*f*) and (iii) 2.

calculations of France, of her previous Ally, Russia. They possessed continental armies which could collaborate with the French army in definite numbers at definite dates, and that was the species of guarantee which France had been seeking from the outset. As for the great British and American armies which had still existed in 1919, where, meanwhile, were they ? To the French military mind, British military assistance had become a secondary factor, which was of little value unless it could be enlisted in support of the new Allies and Associates of France in Central and Eastern Europe ; and the sequel to the conference of Hythe in August 1920 had already once demonstrated the extreme unwillingness of Great Britain to commit herself on Poland's behalf, even on a critical occasion.[1] This development in the French point of view during the two years following the lapse of the Franco-British and Franco-American Treaties of 1919 was of the utmost importance, since it was the key not only to all the subsequent negotiations for an Anglo-French Pact but to the successive evolution of the draft Treaty of Mutual Assistance and the Protocol for the Pacific Settlement of International Disputes.

Under these changed conditions the question of an Anglo-French Pact, after remaining in abeyance for two years, was reopened, on French initiative, in December 1921. The reason for this move appears to have been the concern felt by M. Briand at the misunderstanding which had arisen between France and Great Britain over the problem of submarines at the Washington Conference, which was at that time in session. The remedy which suggested itself to M. Briand's mind was to banish mutual suspicions by bringing about a positive alliance between the two countries :[2] but, before the French Prime Minister took personal action, the ground was explored by the French Ambassador in London, the Count de St. Aulaire, on the 5th December, 1921, in a conversation[3] with the British Secretary of State for Foreign Affairs, Lord Curzon, in which he engaged at the instance of M. Briand[4] but on his own responsibility.

When Lord Curzon reminded M. de St. Aulaire that certain unofficial suggestions from the British side for a Franco-British

[1] *Op. cit.*, pp. 14–15.

[2] See the statement made by M. Briand himself in the French Chamber on the 23rd November, 1923 (French Yellow Book, p. 251).

[3] For reports of this conversation by the two parties to it, see Yellow Book, No. 18, and Blue Book, No. 32.

[4] French Yellow Book, No. 17.

alliance had been meeting latterly with a cold or even hostile reception in France, the French Ambassador not only admitted this but ascribed it to the fact that these suggestions simply contemplated the revival of the abortive Guarantee Treaty of 1919. 'The formula of this guarantee', he continued, 'is unacceptable. I shall never take the responsibility of advising my Government to accept it—an attempt which, for that matter, would be quite useless, for I believe I am faithfully interpreting my Government's point of view in declaring that it would not consent.' He went on to explain that the Treaty of 1919 was humiliating in form and useless or even dangerous in substance—humiliating because it was unilateral and contemplated rendering France an 'assistance' which it was beneath her dignity to accept; useless because Germany would always be able to obscure the issues in any future attempt at aggression on her part; and dangerous because it might inspire France with a false sense of security and England with the idea of persuading France to reduce her armaments on the strength of a deceptive guarantee. In M. de St. Aulaire's personal opinion, the undertaking must be reciprocal; but, besides this, it would be 'completely useless' if it remained limited to the contingency of *direct* aggression by Germany.

> This contingency is, in fact, altogether improbable. Unless Germany is smitten with incurable lunacy, she will not repeat the mistake of 1914 after the lesson of the last war. Her game will be more skilful and incomparably more formidable. She will recollect the Ems Telegram and make every effort to invest the origins of the conflict with a dubious character. Or rather she will seek inspiration in the methods employed by Bismarck in 1866, throw herself first upon her weakest adversary, and, following the line of least resistance, invade Poland as she did in 1772. No doubt France would not tolerate that and would take up arms to defend Poland and the European equilibrium on the Rhine. But France would be isolated, since an Anglo-French defensive alliance, limited *ex hypothesi* to the contingency of *direct* aggression, would not apply to the far more probable hypothesis of *indirect* aggression. We may say, then, that such an alliance, at the best, would cover us, if not against another Charleroi, at least against a Sedan, but that it would not cover us against a Polish Sadowa, which, for Germany, would be the best preparation for another Sedan.

The passage thus quoted, though ostensibly a mere personal statement of opinion, conveyed very forcibly a consideration which was destined to govern the policy of France in the subsequent negotiations on this question with Great Britain. In view, however, of the form in which M. de St. Aulaire's remarks had been put,

Lord Curzon contented himself on this occasion with pointing out that British public opinion ' had been a good deal moved by many symptoms of recent French policy and might be apprehensive about an engagement so binding, so definite from one point of view and yet so indefinite from the other '. In conclusion he inquired whether, in the French Ambassador's view, the consideration of a treaty of alliance was or was not to be accompanied by a general clearing up (presumably on the analogy of 1904) of all the questions on which the two countries disagreed, ' and which were a source of a good deal of unpleasant bickering and quarrel in so many parts of the world.'

After these preliminaries, the subject was broached [1] by M. Briand and Mr. Lloyd George on the 21st December, 1921, during their meeting in London [2]—the occasion arising out of a reference on the British Prime Minister's part to the disturbing effect upon British public opinion of the attitude adopted at Washington by France. When M. Briand indicated that he had in mind ' a very broad alliance ' going beyond the terms of the abortive treaty of 1919, Mr. Lloyd George at once made the following reply :

> Opinion in Great Britain was hardly prepared for so broad an undertaking as that. So far as the western frontier of Germany was concerned, it would be possible to give France complete guarantee against invasion. The British people were not very much interested in what happened on the eastern frontier of Germany ; they would not be ready to be involved in quarrels which might arise regarding Poland or Danzig or Upper Silesia. On the contrary, there was general reluctance to get mixed up in these questions in any way. The British people felt that the populations in that quarter of Europe were unstable and excitable, they might start fighting at any time, and the rights and wrongs of the dispute might be very hard to disentangle. He did not think, therefore, that this country would be disposed to give any guarantees which might involve them in military operations in any eventuality in that part of the world. On the other hand, he repeated, public opinion would readily give a guarantee against a German attack upon the soil of France.

To meet this objection, M. Briand threw out two suggestions : that ' from the French point of view, the first result of a firm understanding would be to reduce the military burdens on France and make them more proportionate to her power to carry them ' ; and that ' a complete alliance ' between Great Britain and France might form a nucleus round which other nations, including Germany herself, might gather on some basis similar to that of the Quadruple

[1] See Blue Book, No. 33.

[2] For the London Conference of the 18th–22nd December, 1921, see *Survey, 1920–3*, pp. 19–20.

Pacific Treaty which had just been concluded at Washington.[1] Before parting, the two statesmen arranged to meet at Cannes and continue this discussion a day or two before the forthcoming meeting of the Supreme Council.

A general account of the Cannes Conference has been given in the preceding volume [2] and it is only necessary to recall what happened in so far as it had a bearing upon the subject here in question. In his memorandum of the 4th January, 1922, to M. Briand, Mr. Lloyd George went the length of offering ' to undertake that, in the event of unprovoked German aggression against French soil, the British ' would ' place their forces at [the] side [of France] '—without this time making the undertaking contingent, as it had been in 1919, upon the ratification of a similar guarantee on the part of the United States. He also accepted the idea that the undertaking should be reciprocal as between Great Britain and France, but on the other hand he expressly ruled out M. Briand's wider proposals. ' There are two ways ', he said, ' in which this mutual undertaking could be given. The first is by means of an offensive and defensive alliance. . . . The second alternative is a definite guarantee that the British Empire and France will stand together in the event of unprovoked aggression by Germany against French soil ' ; and he proceeded to reject the former alternative on the grounds which he had already stated in London.

> Though such an alliance might seem desirable to France, it would, in reality, not serve her interests well, because such alliances are contrary to British tradition. The British people understand the claim of France to be guaranteed against invasion of her soil ; but they would not willingly be committed to military liabilities for breaches elsewhere. Participation in military enterprises in Central and Eastern Europe they would not contemplate. An alliance involving, or even appearing to involve, any such responsibility would not carry the wholehearted concurrence of the British people. On the contrary, it would be strongly opposed by large sections of the community in all parties, and would therefore not be as valuable to France as an undertaking in another form.

Accordingly, the draft treaty [3] annexed to the memorandum bore a very close resemblance to the abortive instrument which had been signed on the 28th June, 1919. After a preamble in which it was

[1] See *op. cit.*, Part VI (iv).

[2] *Op. cit.*, pp. 20–4.

[3] Text in Blue Book, No. 38. This text was not handed to M. Briand until the 12th January, that is, until after he had replied to Mr. Lloyd George's memorandum in his own *exposé* of the 8th January.

declared that Articles 42, 43, and 44 of the Versailles Treaty might ' not sufficiently provide for the defence of the essential common interests of the High Contracting Parties and the maintenance of peace in *Western* Europe ', the draft set out the following articles :

Article 1. In the event of a direct and unprovoked aggression against the soil of France by Germany, Great Britain will immediately place herself at the side of France with her naval, military and air forces.

Article 2. The High Contracting Parties reassert their common interest in articles 42, 43 and 44 of the Treaty of Versailles, and will consult together should any breach of them be threatened or any doubt arise as to their interpretation.

Article 3. The High Contracting Parties undertake further to concert together in the event of any military, naval or air measures inconsistent with the Treaty of Versailles being taken by Germany.

Article 4. The present treaty shall impose no obligations upon any of the Dominions of the British Empire unless and until it is approved by the Dominion concerned.

Article 5. This treaty shall remain in force for a period of ten years, and shall, if approved by both parties, be renewable at the end of that period.

This British project was not accepted as it stood by M. Briand and he suggested certain amendments and additions in an *exposé* dated the 8th January.[1] The guarantee must be bilateral ; any violation by Germany of Articles 42, 43, and 44 of the Versailles Treaty, or of the Military, Naval, and Air clauses, must be expressly declared to ' constitute, in the eyes of the British Government, a case of direct aggression against the security of France, on the same footing as aggression against French territory in the literal sense ' ; and, finally, a treaty confined to a military guarantee would be inadequate. There ought to be an *entente* between the two general staffs, and ' the two Governments ought to agree to concert together on any question likely to endanger the general peace, and to examine in common the measures calculated to insure the rapid settlement of such questions in conformity with justice '. The last of these stipulations reintroduced, in veiled language, that extension of the range of the proposed treaty to cover the East European Allies and Associates of France on which M. de St. Aulaire had laid such stress on the 5th December, but which had twice over been dismissed emphatically as impracticable by Mr. Lloyd George. In insisting on these points, M. Briand was speaking not so much for himself as for the French nation. Indeed, the parties of the right and centre were attacking him vigorously at this moment in the mistaken belief that he was com-

[1] Yellow Book, No. 21 ; Blue Book, No. 35.

mitting himself to a Pact which would be unsatisfactory from these points of view, and this was one of the principal causes of his fall, which has been described in connexion with the Cannes Conference in the preceding volume.[1] In these circumstances, the accession to office of M. Poincaré resulted not in a change but rather in an intensification of the attitude which M. Briand had adopted towards the British project on the French Government's behalf.

On the 14th January, in a conversation [2] which took place in Paris during the British Prime Minister's return journey from Cannes to London, M. Poincaré referred to the British draft treaty which had been communicated two days before to M. Briand and insisted that the guarantee should be reciprocal, that the Pact should be supplemented by a military convention, and that the proposed time limit of ten years should be lengthened in order not to leave France exposed when the fifteen years' occupation of German territory, provided for in the Versailles Treaty, came to an end. Mr. Lloyd George, on his part, demurred to the demand for a military convention. On the 23rd January M. Poincaré continued to press his view in a dispatch [3] to the French Ambassador in London, in which he instructed him to continue the negotiations and laid down his desiderata. The guarantee must be reciprocal and must apply not merely to ' the soil of France ' but to ' France ' (and, reciprocally, to ' Great Britain ') ; the violation of Articles 42 and 43 of the Versailles Treaty was to be considered as direct aggression against the security of France ; the demand for a military convention was supported by precedents from the ten years between 1904 and 1914 ; the treaty was to have no time limit or else a minimum duration of twenty years ; and, while M. Poincaré recognized that ' there was no chance of obtaining from England a direct guarantee of Poland against aggression ', he added

> It is none the less true that the Franco-British treaty would be insufficient if it did not assist us in forestalling the danger of indirect German aggression. This object can be attained if France and England affirm, in this treaty, that, apart from their in a sense automatic co-operation in the eventuality of direct German aggression, they are resolved to remain closely united in order to assure peace and to concert together, in case peace were to be menaced, regarding the means of assuring without delay an equitable and peaceful settlement of the conflict and the maintenance of the treaties signed by them.

[1] *Survey, 1920–3*, pp. 20–4.
[2] Reported by M. Poincaré in Yellow Book, No. 23.
[3] *Loc. cit.*

The attached counter-draft of the treaty, after a preamble which corresponded (except for the introduction of reciprocity) with that of the British draft, set out the following articles, in which the amendments detailed in M. Poincaré's instructions were embodied : [1]

Article 1. In the event of an unprovoked aggression by Germany against France, Great Britain will place herself immediately at the side of France with her naval, military and air forces.

Reciprocally, in the case of an unprovoked aggression by Germany against Great Britain, France will place herself immediately at the side of Great Britain with her military, naval and air forces.

Article 2. The two High Contracting Parties reaffirm their common interest in articles 42 and 43 of the Treaty of Peace of Versailles. They agree, in conformity with article 44 of the said treaty, to consider any violation whatever by Germany of the said articles as constituting an act of aggression against France and Great Britain.

They will concert together in the event of any threat of violation of the said articles, or of any doubt arising as to their interpretation, as well as in the event of any military, naval or air measures incompatible with the Treaty of Versailles being taken by Germany.

Article 3. A constant 'entente' will be maintained between the respective General Staffs of the two High Contracting Parties with the view of ensuring the eventual efficacy of the foregoing dispositions.

Article 4. The Government of the French Republic and the Government of His Britannic Majesty agree to concert together on all questions of a nature to endanger the peace or to jeopardize the general order of things set up under the treaties of peace of which they are signatories. They will examine in common the measures necessary to ensure speedily a peaceful and equitable settlement.

Article 5. The present treaty shall impose no obligation upon any of the Dominions of the British Empire, unless and until it is approved by the Dominion concerned.

Article 6. The present treaty shall remain in force for a period of thirty years, and will be renewable by common agreement at the end of that period.

On the 26th January, this French draft was the subject of a conversation [2] in London between M. de St. Aulaire, acting on M. Poincaré's instructions, and Lord Curzon, which virtually resulted in a deadlock. Lord Curzon raised no objection to the stipulation for reciprocity, and he expressed readiness, subject to the approval of his colleagues in the Cabinet, to contemplate the extension of the time-limit from ten to fifteen (though not twenty or thirty) years ; but he rejected, this time categorically, the demand for a military convention ; and he took serious objection to the proposal that the violation of Articles 42 and 43 of the Versailles

[1] Except that the minimum term for which the treaty was to run was lengthened from twenty years to thirty.

[2] Yellow Book, No. 24 ; Blue Book, No. 40.

Treaty should be regarded as constituting a special *casus belli* for two of the signatories, France and Great Britain.

> This was an obligation which I did not think the British people would be likely to accept. Moreover, was not the proposal to assume it entirely inconsistent with the new theory upon which it was generally believed that the policy of Europe was to be based after the War? Everywhere it had been preached that the old policy of rival groupings of Great Powers was to disappear and to be replaced by a concord of the nations. By another part of the Treaty of Versailles the League of Nations had been placed in charge of this new conception and was already endeavouring with limited powers to carry it out. Now, apparently, it was proposed that instead of the Triple Alliance, which had, we thought, disappeared altogether, there should be set up a new Double Alliance between Great Britain and France, which, as the most powerful nations, would dominate the scene, assuming the responsibilities which did not belong to them alone and claiming a sort of hegemony in Europe. I did not think that such a proposal was consistent either with the principles of the Treaty of Versailles or with our own conception of the duties devolving upon Great Britain.

Article 4 of the French draft, as interpreted by the French Ambassador, created at least as great a difficulty.

> The Ambassador explained to me personally that this article had been framed in order to meet the objection which had been raised to a possible call for military action by Great Britain under the treaty, in the event of German aggression upon Poland or any of the outlying States of the eastern parts of Europe. It had been pointed out that British interest in them was on an entirely different plane from their interest in the Franco-Belgian frontier, and that no British Government could accept obligations of so vague and compromising a character. Accordingly, this article had been suggested, and it meant that, in the event of any such situation arising, the two great Allied Powers would at once consult together and then, if they were so agreed, would act in concert with the League of Nations in finding a pacific solution. Here again, I said to the Ambassador, I thought that objections would probably be entertained to putting so ambiguous an article into the treaty.

M. de St. Aulaire, who had all along regarded this extension of the treaty to Eastern Europe as a 'capital point' which ought to be pressed insistently,[1] suggested that, in place of this article in the treaty, an equivalent assurance might be given in a separate letter, but Lord Curzon pointed out that this 'would be inconsistent both with our practice and with the obligation which we had all entered into as regards publicity with the League of Nations'. Finally,

[1] See his report to M. Poincaré on the conversation of the 26th January (Yellow Book, No. 24, p. 125).

Lord Curzon once more raised the question of the outstanding points at issue between the two countries, and suggested, as he had done on the 5th December, that it would be preferable to follow the precedent of 1904 by settling these differences first before attempting to find a definitive formula for the Pact of Guarantee. In reply, M. de St. Aulaire pointed out the danger that French public opinion might then be confirmed in the impression that the Pact was being made a subject of bargaining (an impression which had already been created by the publication of Mr. Lloyd George's memorandum of the 4th January) ; and he argued with some force that the situation in 1904 was not a true parallel, since the local conflicts of interest between the two Powers, to which Lord Curzon had alluded, were now far less serious than they had been at the earlier date, whereas the problem of their relations with Germany, which in 1904 had been a common interest strong enough to overcome their differences in other quarters, was now precisely the matter on which they disagreed—with unfortunate effects upon their relations in other fields. He therefore pleaded that this central problem, as the principal source of friction between the two countries, should be solved by the conclusion of the Pact, if possible, before the meeting of the forthcoming conference at Genoa.[1] Lord Curzon, however, to whom this order of proceeding did not commend itself, declared a settlement within that time to be out of the question, and therewith the conversation came to an end.

Thereafter the negotiations languished. It is true that M. Poincaré returned to the charge on the 29th January with a reasoned memorandum [2] which was communicated to Lord Curzon on the 1st February by M. de St. Aulaire ; and on the 17th February Lord Curzon completed a commentary on this in a memorandum of his own ; [3] but although both these documents were masterly, and in this and other respects characteristic of their distinguished authors, the very ability of the written arguments accentuated the inherent incompatibility between the theses of the two Governments, and the chances of agreement were probably therefore not diminished by the fact that Lord Curzon's memorandum, which had been composed for the benefit of his colleagues in the British Cabinet, was not communicated to the French Prime Minister. In this document, in which the British Foreign Secretary once more minutely examined

[1] For the Genoa Conference see *Survey, 1920–3*, pp. 25–34.
[2] Yellow Book, No. 25 ; Blue Book, No. 41.
[3] Blue Book, No. 44.

and rejected the French demands, the following passages were perhaps especially significant :

> I am clear in my own mind that in so far as British public opinion will endorse our guarantee, it will be in the belief that it can only become operative in the event of a German army actually crossing the French frontier and invading French soil. If we envisage British action at an earlier stage, I foresee serious and even dangerous disputes as to what constitutes an act of aggression, and at what stage mobilization or concentration or advance develops into attack. . . .
>
> At first sight this clause [Article 4 of the French draft] seems to embody a quite innocent proposition. But it must be read in the light both of its history and of its real significance. It is the heir, or rather the substitute, of the proposal put forward by the French Ambassador in his first conversation with me last year, that the Anglo-French Agreement should apply in some undefined way to the frontiers of Poland and other Eastern European States which are regarded by the French as the outer frontier of their country. That proposal was unhesitatingly rejected both by myself at that time and by the Prime Minister in his conversations with M. Briand at Cannes. . .
>
> The new obligation is not confined to the maintenance of the Treaty of Versailles, but to all the treaties of peace of which France and Great Britain are signatories. In other words, if there is trouble on the Bulgarian frontier or at Budapest, or, it may be, later at Constantinople, the two Powers, not waiting for any one else, are 'to examine in common the measures necessary to ensure speedily a peaceful and equitable settlement'. Of course, this might mean that they would jointly refer the case to the League of Nations. But, if so, the provision is unnecessary. On the other hand, it could be taken to mean, and is probably intended by the French to mean, that the settlement of the future European disputes is a matter primarily for Great Britain and France, and that the rest of the world is to look on until our two Governments have made up their minds what they will do. This might prove a very powerful and effective form of European hegemony. But I do not think either that we want it or that the rest of Europe would welcome it. . . .
>
> A military alliance of this description between Great Britain and France could only result in rival and, it might be, hostile combinations between other Powers (conceivably even between Germany and Russia), and it is inconsistent with the theory upon which it has hitherto been assumed that the post-war polity of Europe is to be based.

Meanwhile, two further conversations between M. de St. Aulaire and Lord Curzon on the 9th and the 17th February [1] had left on the French Ambassador's mind the impression that the British Government was in no hurry to carry the negotiations to a conclusion, while the British public appeared to take no further interest in the project. On the 4th March M. de St. Aulaire was instructed by M. Poincaré [2]

[1] Yellow Book, Nos. 26 and 27.

[2] *Ibid.*, No. 30.

to ask for a reply to his memorandum of the 29th January ; but, in the next conversation at the Foreign Office on the 18th March,[1] the Foreign Secretary intimated that the Pact would stand little chance of acceptance by Parliament unless and until the outstanding differences between the two countries had been removed. In May, M. de St. Aulaire, under further pressure from M. Poincaré, reopened the question again ; but this time Lord Curzon was ill and his place was being taken by Lord Balfour, who informed M. de St. Aulaire that he ' was only superficially acquainted with what had recently taken place in connexion with this question ', but that he would inform himself upon the matter and communicate with him again. Further enlightenment, however, did not dispose Lord Balfour more favourably towards the French project than it had disposed Lord Curzon, and the negotiations finally lapsed in July 1922.[2]

A year later, the question of the Pact was tentatively reopened by Lord Curzon himself in the course of the abortive negotiations between the British, French, Belgian, and German Governments over the Franco-Belgian occupation of the Ruhr ; and the rebuff which M. Poincaré administered to these advances is recorded in that connexion.[3] The miscarriage of these British overtures in 1923, though unfortunate, is hardly surprising when it is considered how sharply the previous negotiations had brought out the underlying differences between the French and British points of view. In the meantime, the problem which had proved too difficult for French and British statesmen to solve in isolation had been approached from another angle in the draft Treaty of Mutual Assistance evolved by the League of Nations.

(iii) The Draft Treaty of Mutual Assistance.[4]

Security can be sought either by devising safeguards or else by attempting to remove or diminish the anticipated danger ; and, in the particular problem of providing military security for states against the danger of foreign invasion, the solution may lie either in a one-sided reduction of armaments, or in a system of defensive

[1] Yellow Book, No. 31 ; Blue Book, No. 45.
[2] Yellow Book, Nos. 32–9 ; Blue Book, Nos. 46–50.
[3] See below, p. 332.
[4] See the pamphlet entitled *The League of Nations and Reduction of Armaments* (Geneva, 1923, Information Section, League of Nations Secretariat) and also the French Yellow Book, *Documents relatifs aux négociations concernant les garanties de sécurité contre une agression de l'Allemagne* (10 janvier, 1919–7 décembre, 1923), No. 44.

alliances, or in a general reduction of armaments, or in some combination of these measures. One-sided reductions of armaments were imposed on the defeated parties in the four European Peace Treaties following the War of 1914, and the next impulse of certain of the victorious nations was to explore the second possibility of defensive alliances. The negotiation of the Franco-Polish and Polish-Rumanian treaties in 1921 and the construction of the 'Little Entente' have been recorded in the preceding volume;[1] and the negotiations for an Anglo-French Pact, which really broke down over the unwillingness of Great Britain to be drawn into a continental system of alliances embracing Europe as a whole, have been described in the preceding section of this Part.[2] In the meantime, the obligation to approach the problem from the side of disarmament had been laid upon all Members of the League of Nations by certain articles in the Covenant; and this line of approach was combined with the other into a single avenue in the draft Treaty of Mutual Assistance. This combination was conceived by Lord Robert Cecil, and, as will be seen, he brought his idea forward in July 1922—that is, at the psychological moment when the negotiations for an Anglo-French Pact were *in articulo mortis*. His services, however, were not limited to the origination of the scheme. His ability as a practical statesman and his freedom from egotism were displayed still more conspicuously in the open-mindedness and resourcefulness with which he adapted his proposals to the actual conditions of international politics at the time. In this he was assisted by Colonel Réquin, the French representative on the Temporary Mixed Commission of the League[3] and the principal critic of Lord Robert's proposals in their original form. Colonel Réquin shared with Senator Lebrun (a French ex-Minister of State) and with Colonel Fabry (afterwards French Minister for the Colonies) the credit for discerning that the security which France had not succeeded in obtaining in the form of an Anglo-French Pact might be sought along a path which at first sight seemed remote from the field of the abortive Anglo-French negotiations. The Temporary Mixed Commission as a whole shared with its distinguished French and British members the credit for co-ordinating their respective proposals into a harmonious and logically coherent document. Owing to circumstances which will appear, the Treaty of Mutual Assistance was not destined

[1] *Survey, 1920–3*, Part III (ii) 3 (*f*), and (iii) 2.
[2] pp. 2–16, above.
[3] For the genesis of the Commission see below, p. 18.

to pass beyond the draft stage, but this fact does not detract from its historical importance, for the combination of ideas which it embodied marked a permanent advance, and the subsequent Protocol for the Pacific Settlement of International Disputes proceeded from this starting-point.

Before discussing the evolution of the draft Treaty of Mutual Assistance, it is necessary to review the provisions of the Covenant in regard to the reduction of armaments, and to describe the organizations created by the League in order to carry these provisions into effect. In Article 1, § 2, and Articles 8 and 9, the Covenant envisaged a general reduction of armaments, extending to the ex-victors and ex-neutrals in the War, and designed, not to differentiate against particular defeated states (like the military, naval, and air clauses in the four European Peace Treaties) [1] or against recalcitrant tribesmen (like the Convention signed on the 10th September, 1919, at St. Germain-en-Laye) but to provide a common solution for a world problem. Article 8 contemplated the control of the private manufacture of munitions and implements of war, the exchange of full and frank information by Members of the League regarding armaments, and the formulation of plans for the reduction of armaments by the Council for the consideration of the several Governments, while Article 9 provided for the constitution of a Permanent Commission to advise the Council on the execution of Articles 1 [2] and 8 and on military, naval, and air questions generally. This Commission was constituted on the 17th May, 1920, from technical delegations (composed in each case of a naval, military, and air representative) of each of the countries represented on the Council. On a recommendation from the Assembly during its First Session in the autumn of 1920, the Council further appointed, on the 25th February, 1921, a Temporary Mixed Commission, consisting of six persons of recognized competence in political, social, and economic matters ; six members of the Permanent Advisory Commission for Naval, Military, and Air Questions, selected by this Commission ; four members of the Provisional Economic and Financial Committee ; and six members of the Governing Body of the International Labour Office—three employers' representatives

[1] For the execution of these clauses see *Survey, 1920–3*, pp. 104–13, and the *Survey for 1925*.

[2] Article 1 provided, among other things, that future applicants for membership in the League should accept such regulations as might be prescribed by the League in regard to armaments.

and three workmen's representatives.[1] At the same time a Disarmament Section was created within the Secretariat of the League, and the respective Secretariats of the Permanent and the Temporary Commission were amalgamated into one department.

The question of the private manufacture of arms was considered by both commissions. On the 25th February, 1921, the Permanent Commission virtually reported that no action could be taken, while the Temporary Commission, after reaching the same conclusion in regard to absolute prohibition and considering certain measures for the establishment of control, decided that the international traffic in arms rather than the private manufacture of arms was the proper point at which to attack the problem. The efforts to secure the ratification of the St. Germain Convention which were made by the Council and the Assembly in view of this advisory opinion have been described in the preceding volume ;[2] but the Assembly returned to the question of private manufacture during its Fourth Session in September 1923, after it had been obstructed in the other line of advance by the attitude of the United States Government. On the recommendation of the Assembly, the Council authorized, on the 10th December, 1923, a joint inquiry by the Temporary Mixed Commission and by the Economic Committee of the League into the question of a draft convention for the control of private manufacture, with a view to summoning an international conference in order to deal with it.

The exchange of information in regard to existing armaments was taken in hand by the Mixed Commission from the outset. On the 17th July, 1921, it appointed a sub-committee to organize an inquiry into the existing facts, not only those of a statistical but also those of a general and political order, and, on the basis of this sub-committee's work, a programme was drawn up and approved in September 1921 by the Second Assembly. The statistical information for 1921–2 was compiled by the League Secretariat, while the general and political part of the inquiry was carried out by means of a special questionnaire sent to all States Members of the League.[3] During its Third Session in September 1922 the Assembly limited the scope of the statistical inquiry for 1922–3 to the two

[1] As the employers' group in the Governing Body did not desire to choose representatives among its own members, the Council itself appointed the employers' representatives.

[2] *Survey, 1920–3,* pp. 390–3.

[3] The replies received were published in the *Official Journal* of the League.

special points of peace-time armaments and expenditure on armaments ; but, in the report which the Temporary Mixed Commission presented to the Assembly during its Fourth Session in September 1923, it proposed the publication of a comprehensive year-book ' based on information drawn from official documents and keeping within the limits of the last paragraph of Article 8 of the Covenant ', and this proposal was adopted by the Council on the 7th July, 1923.[1]

The League simultaneously attacked the problem in other ways. For example, the Assembly, at each of its first four sessions, recommended the Council to invite Members of the League to agree not to exceed, for a specified period, the total expenditure on military, naval, and air forces provided for in their budgets for the current year.[2] Again, the possibilities were explored of limiting the employment of poisonous gases in warfare, or, short of this, of insuring the publication of fresh discoveries in this field in order to diminish their military value. During the period in question, the results of both these endeavours were on the whole disappointing ; [3] but the most important work of the League in regard to armaments during these years, and that on which its eventual success or failure would depend, was the preparation of the general plan for reduction which was embodied in the draft Treaty of Mutual Assistance submitted by the Temporary Mixed Commission to the Assembly during its Fourth Session of September 1923.[4]

The Temporary Mixed Commission first considered a scheme, submitted by Lord Esher, for the limitation of military and air establishments in various European countries in a numerical ratio, but this scheme was rejected by the Permanent Advisory Commission

[1] The first Year Book was duly published in 1924 (League of Nations Document A. 37, 1924, ix, pp. 844). It consisted of information supplied by the following states : Albania, Argentina, Austria, Belgium, Brazil, British Empire (Great Britain and her Colonies, Australia, Canada, India, New Zealand, Newfoundland, Union of South Africa), Bulgaria, Chile, China, Czechoslovakia, Denmark, Esthonia, Finland, France, Germany, Greece, Hungary, Italy, Japan, Jugoslavia, Latvia, Luxembourg, Netherlands, Norway, Poland, Rumania, Spain, Sweden, Switzerland, Union of Soviet Socialist Republics, United States of America.

[2] A resolution moved by the French delegate recommending an actual reduction, as opposed to a non-increase, of budget expenditure in the case of certain rather narrowly defined categories of states was adopted by the Assembly during its Third Session in September 1922, but no action was taken by the Council in view of objections raised by the Temporary Mixed Commission.

[3] For the details see *The League of Nations and Reduction of Armaments*, Ch. II. A valuable memorandum was produced on the nature of gas warfare.

[4] Text of the draft in annex to *op. cit.*

for 'technical reasons'[1] and by the Temporary Commission for its omission to take account of the political and psychological factors. On the other hand, a series of four propositions was submitted to the Temporary Commission during its session of the 3rd–7th July, 1922, by Lord Robert Cecil[2] in which the problem was approached from the political side. His points were that no scheme for the reduction of armaments could be successful unless it were general; that, in the present state of the world, the majority of Governments could not carry out a reduction of armaments unless they received satisfactory guarantees for the safety of their respective countries; that such guarantees should also be of a general character; and, finally, that there could be no question of providing such guarantees except in consideration of a definite undertaking to reduce armaments.

These proposals were adopted in their general lines by the Temporary Mixed Commission, but the Permanent Commission insisted that the guarantee to be offered in consideration of an undertaking to reduce armaments would not be effective unless it were given substance in a technical plan for military co-operation pre-arranged between the parties. This criticism inclined some members of the Temporary Commission to abandon the idea of a general Treaty as technically impracticable (since it was evidently impossible to work out general staff plans for the co-operation of every permutation and combination of states in every contingency) and to begin by arranging partial treaties of guarantee, fortified by technical military conventions, between a limited number of states drawn together by some common fear. The latter suggestion, however, was combated by Lord Robert Cecil and his supporters on the political ground that in practice it would not lead to a local and still less to a general reduction of armaments, but would revive—and this under the League's auspices—the system of competitive group alliances which had resulted in the War of 1914. These two theses were debated by the Assembly of the League during its Third Session in September 1922, and a draft suggested by M. de Jouvenel (France), as a compromise between the technical and political considerations which were advanced respectively by the opposing parties, was eventually adopted as Assembly Resolution 14. In the

[1] Or perhaps more truly on account of postulates which would have struck at the root of any scheme of disarmament whatsoever.

[2] For an exposition of Lord Robert Cecil's views see the record of his address on the draft Treaty of Mutual Assistance, delivered to the British Institute of International Affairs on the 19th February, 1924, and reprinted from the *Journal* of the Institute (price 1*s.*).

first two clauses of this resolution, Lord Robert's first two propositions, that a reduction of armaments must be general and that it must be compensated by a guarantee, reappeared with little change. His third proposition, however, for a general guarantee was modified by the provisions that parties should be bound to furnish immediate and effective assistance in accordance with a prearranged plan; that the obligation to render assistance to a country attacked should be limited in principle to countries situated in the same part of the globe;[1] and that where, for historical, geographical, or other reasons, a country was in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan;[2] while his fourth proposition, that previous consent to a reduction of armaments was the first condition for adherence to the Treaty, was amplified by a rider introducing the idea of partial treaties of guarantee as optional and supplementary measures. 'This reduction could be carried out either by means of a general Treaty, which was the most desirable plan, or by means of partial treaties designed to be extended and open to all countries. In the former case the Treaty would carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.' The Council was requested to examine these proposals with the assistance of the Temporary Commission.

On the basis of this resolution, two drafts were submitted to the Temporary Commission by Lord Robert Cecil and Colonel Réquin[3] respectively; and, after long and arduous negotiations,[4] these were successfully co-ordinated in a single text, which was laid by the Temporary Commission before the Assembly during its Fourth Session in September 1923, and transmitted by the Assembly to the Council with certain amendments and with the recommendation that it should be communicated to all Governments with a request for their observations.

In this document,[5] after a preamble referring to Articles 8, 10 and 16

[1] A limitation of liabilities which was designed to reassure the non-European Members of the League.

[2] A special concession to the anxieties of France and Belgium.

[3] Colonel Réquin was the principal critic of the third of Lord Robert's four original propositions.

[4] The Temporary Mixed Commission, and the Special Committee on the subject which it had set up, sat between them for about six weeks (at intervals from January to September 1923 inclusive) and considered four or five separate drafts. Lord Robert Cecil succeeded in securing the embodiment of the greater part of the substance, though not the form, of his original draft in the final co-ordinated text.

[5] Text in annex to *The League of Nations and Reduction of Armaments.*

of the Covenant, 'aggressive war' was declared to be 'an international crime' which the parties pledged themselves not to commit, and the cases in which a war should not be considered a war of aggression were defined (Art. 1); a joint and several undertaking was to be given by all parties to assist any of their number who was the object of a war of aggression (Art. 2); the notification to the League of 'threats of aggression' and the action to be taken by the Council in this event, were provided for (Art. 3)—great stress being laid on the prevention of war by giving the Council wide powers to take action on any appeal under this article; in case of an outbreak of hostilities the Council was to decide within four days which parties were 'objects of aggression' and whether they were entitled to claim the assistance provided under the Treaty—the parties to the Treaty undertaking in advance to accept such decision (Art. 4); in pursuance of Article 2, the parties were to furnish assistance 'in the form determined by the Council as the most effective', and six particular courses of action open to the Council were laid down (Art. 5);[1] the parties might conclude, either as between two of them or as between a larger number, agreements complementary to the present Treaty exclusively for the purpose of their mutual defence and intended solely to facilitate the carrying out of the measures prescribed in this Treaty, determining in advance the assistance which they would give to each other in the event of any act of aggression (Art. 6); the Council was to review such complementary agreements, and they were to be registered (under Art. 18 of the Covenant) if and when recognized (Art. 7); parties to complementary agreements might undertake in any such agreements to put into immediate execution, in the cases of aggression contemplated in them, the plan of assistance agreed upon,[2] in which case they should inform the Council of the League of Nations, without delay, concerning the measures which they had taken to insure the execution of such agreements; the Council was then immediately to take the decision required under Article 4, and, if it found that the

[1] The Council might: (*a*) immediately apply the economic sanctions of Article 16 of the Covenant; (*b*) invoke by name the parties whose assistance it required (though no party situated in a continent other than that in which operations would take place should, in principle, be required to co-operate in military or even in naval or air operations); (*c*) determine the forces which each state should place at its disposal (though each state retained a full right of veto, a reservation which reappeared in the Protocol); and (*d*, *e*, *f*) arrange for communications and transport, financial co-operation, and the appointment of the Higher Command.

[2] The French called this arrangement 'déclanchement automatique' or 'automatisme'—a phrase much used in the debates.

parties had wrongfully put the agreed plan of assistance into execution, these parties were themselves to be regarded as aggressors and to be liable to all the sanctions prescribed (Art. 8) ; parties might negotiate with their neighbours for demilitarized zones, so long as these did not involve unilateral sacrifices from the military point of view (Art. 9) ; the whole cost of operations undertaken under the present Treaty (including the reparation of damage) was to be borne by the aggressor state ' up to the extreme limits of its capacity ' and was to be ' a first charge upon the whole of its assets and revenues ' (Art. 10) ; the parties were to inform the Council of the League of the reduction or limitation of armaments which they considered proportionate to the security furnished by the general Treaty or by the defensive agreements complementary to the general Treaty ; to co-operate in the preparation of any general plan for the reduction of armaments proposed by the Council ; and to undertake to carry it out within two years (without making any subsequent increase except with the Council's consent) after it had been submitted to them by the Council and had received their approval (Art. 11) ; the parties were to comply with requests from the Council for information—a provision which gave them (as afterwards under the Protocol) rather wide powers of mutual investigation (Art. 12) ; the quotas of armaments determined for each party were to be revised every five years (Art. 13) ; the validity of the four European Peace Treaties and of all others already registered with the League was to be reserved (Art. 14) ; the Permanent Court of International Justice was to have compulsory jurisdiction regarding the interpretation of the present Treaty (Art. 15) ; states non-members of the League were to be entitled to adhere to the Treaty with the consent of two-thirds of the parties in whose case the Treaty had already come into force at any given moment (Art. 16) ; any state fulfilling the requirements with regard to disarmament might notify its conditional or partial adherence to the Treaty with the consent of the Council (Art. 17) ; the Treaty was to come into force under different conditions of ratification in different regions (Art. 18) ; [1] and it was to remain in force for fifteen years, and to be prolonged automatically thereafter for states which had not denounced it, unless denounced by states referred to

[1] It was not to come into force at all until considerable progress towards disarmament had been made, and no state was to have a right to assistance under Article 2 unless it had already reduced its armaments. These features reappeared in the Protocol.

in Article 18 (as bringing the Treaty into force in different regions by their ratification of it)—in which event the Treaty would cease to exist.

On the 29th September, 1923, the Council duly requested the Secretary-General to communicate this text to the Governments of States Members of the League, in accordance with the Assembly's recommendation ; and on the 10th December the Council decided that the text should also be sent to the Governments of states non-members.

The observations on the draft Treaty which were received, in response to the Council's request, during the next eight months corresponded broadly to the principal groups into which the self-governing states of the world were divided during this period.[1] Almost unqualified approval was expressed by Latvia and Esthonia, which were perhaps the two most dangerously exposed states in Europe. Czechoslovakia declared herself a ' firm supporter ' of the draft, while submitting certain reservations and constructive suggestions in a reasoned memorandum by M. Beneš. France declared her unreserved approval in a letter bearing the signature of M. Herriot, who had replaced M. Poincaré as Prime Minister in June, 1924, after the General Election of the preceding month ; and she was supported, though not without reserves, by Belgium. Favourable replies from France and Belgium were indeed to be expected, since the project was to a large extent an attempt to solve a Franco-Belgian problem on Franco-Belgian lines. On the other hand, several of the Allies and Associates of France in Eastern Europe either hesitated to accept or actually rejected the proposals, on the general ground that they did not promise a sufficient increase of security to justify any reduction of the national armaments below the existing level ; and the Treaty was rejected more decidedly by the West and North European ex-neutrals and by the members of the British Commonwealth, including the United Kingdom as well as the Dominions, mainly on the ground, not that the proposed guarantees were insufficient to justify a reduction of armaments (which most of these states had reduced already to a distinctly lower level than the members of the other groups), but that they involved too great an extension of existing international obligations. Italy and Japan, while not rejecting the draft, filed reservations in regard both to special agreements and to the definition of aggression ;

[1] For texts of these replies, see League of Nations Documents A 35, 1924, ix; A 35 (*a*), 1924, ix ; A 35 (*b*), 1924, ix.

Germany declared her inability to undertake the obligations involved on account of the almost total unilateral disarmament to which she had already been subjected; the Soviet Government maintained the 'negative attitude' which it had 'frequently expressed in regard to the "League of Nations" in its present form and as at present constituted'; while the courteous but categorical refusal of the United States followed *à priori* from her previous rejection of the Covenant. No Latin-American state except Uruguay replied at all.

The factor which was really decisive for the fortunes of the draft was the position and attitude of the British Commonwealth, and this for several reasons. In the first place, Great Britain, which was not only one of the greatest Powers in the world but was also the Power which had given the most consistent support to the League since its foundation, enjoyed a special prestige among the lesser States Members, and her policy was therefore likely to influence if not to determine their decisions.[1] In the second place, the united naval power of the Commonwealth would be one of the most valuable sanctions for the enforcement of the terms of the Treaty in case of need, if the members of the Commonwealth jointly consented to place this weapon at the disposal of the Council of the League for the purposes contemplated. Indeed, owing to the ubiquity of British sea-power, its support would be so valuable that it might almost be regarded as indispensable to the success of the scheme. In the third place, the very fact that British sea-power, and the territories of the British Commonwealth which sea-power linked together, extended into every region of the world, not only made the obligations inherent in the draft Treaty of Mutual Assistance more extensive, though possibly less intensive,[2] in the case of the British Commonwealth than in that of any other Member of the League, or group of

[1] At this time the British Empire included about a quarter of the land-surface of the world, a quarter of its population, and a vast proportion of its economic (i. e. military) resources. It was no wonder that other states should hesitate to commit themselves to any 'general' scheme of disarmament without its participation, especially if, *ex hypothesi*, Russia, Germany, and the United States were to hold aloof in any case.

[2] e. g. in Eastern Europe, which was one of the most probable war-zones in the world during the period under review, continental European countries would have been obliged, under the Treaty of Mutual Assistance, to furnish land forces, while the obligations of the British Commonwealth would almost certainly have been confined to exercising a blockade. Militarily and financially this would, of course, have been a far lighter burden. On the other hand, it would have exposed Great Britain to a special danger of serious diplomatic complications with at least one *ex hypothesi* neutral Great Power, the United States—a Power with which Great Britain at this time was particularly concerned to maintain cordial relations.

Members, but threatened to raise in a new and an acute form the difficult problem of the constitutional relations of the several members of the Commonwealth with one another.

(iv) The Situation of the British Commonwealth.

From the preceding account of the first two phases through which the problem of security passed during the period following the conclusion of the War of 1914, it will have become apparent that there was one crux which still defied solution. In the post-war world, it seemed impossible to construct a system of stable and pacific international relations in which the states of Europe, the whole of Europe, and nothing but Europe might be included. The negotiations for a bilateral Pact between the United Kingdom and France had broken down, in the last analysis, because the international outlook of the British people was still profoundly insular. This insularity, being the consequence of an ancient tradition which had hitherto been justified signally by its fruits,[1] was one of those subjective convictions which do not quickly adapt themselves to changes in the objective situation. It was idle for M. de St. Aulaire, M. Briand, or M. Poincaré to point out to British statesmen, as they did with a united voice and an unimpeachable logic in almost every interchange of views on the security problem, that the application to warfare of recent scientific inventions such as aviation had rendered the insularity of the British Isles illusory. It was in vain that the same fact was emphasized in Parliament by an Englishman of such experience and distinction as Lord Grey.[2] However certain

[1] The British tradition of insularity had never, of course, gone the length of indifference to Continental affairs. Since she had attained the rank of a Great Power, Great Britain had played a leading part in every general European war, while in the intervals she had concerned herself closely with the affairs of the whole European littoral, from the Baltic to the Mediterranean. The effect of her insularity was to make her intervention on the Continent spasmodic, uncertain, and limited in range. For instance, she always held aloof from the East European domain of the Hapsburg, Hohenzollern, and Romanov Empires except at times when the general European Balance of Power was at stake. An inclination to hold aloof from all Continental affairs only showed itself during the half century beginning with the Schleswig-Holstein war of 1864, and this inclination did not prevail in July and August 1914.

[2] 'I think we were an exception in 1914 to the statement that every country in Europe was in fear. I do not think we were in fear, but it was because we believed that, being an island, so long as we kept our Navy strong enough we should not suffer vitally, whatever might happen on the Continent of Europe. That belief was based on the assumption that the advantages of being an island to-day are the same as the advantages were in the last century. The War showed that that was to a great extent an illusion, and the expendi-

this fact might be, the British Government of the day were bound to make their policy conform with the equally certain fact that the British public still regarded themselves as incomparably more secure from attack and invasion than their neighbours on the Continent. The reciprocal guarantee, which the French negotiators pressed on their British colleagues as a safeguard of no less potential value to Great Britain than to France herself, was treated on the British side as little more than an innocuous formality which must be complied with in order to humour the susceptibilities of French public opinion. The solid fact, from the point of view of Mr. Lloyd George or Lord Curzon, was that the British Parliament and public were so little troubled by a sense of insecurity from the direction of Continental Europe, now that the German fleet had disappeared, that they could not be induced to guarantee anything on the Continent beyond the eastern frontiers of Belgium and France. On the other hand, the French people realized, from a political experience as old as that of the English, though of a different kind, that the Continent was an indivisible unit of international relations from the political and military point of view ; and inevitably they were exasperated at the determination of their insular neighbours to circumscribe their contribution to the settlement of the European security problem within limits so narrow as, in the light of French experience, to preclude any genuine solution based on a Franco-British Pact.

The draft Treaty of Mutual Assistance was essentially an attempt to cope with the same problem on broader lines that might satisfy France without alienating Great Britain. From the French point of view the draft supplied the three great omissions in the British version of an Anglo-French Pact : it embraced Eastern as well as Western Europe in its purview ; it sanctioned (under certain conditions of review and control by the League) the free formation of special groups of alliances to supplement the general agreement ; and it permitted the parties to these special alliances to concert military plans in advance. From the British point of view, again, the draft offered undoubted advantages over the project of a bilateral

ture that we are to-day incurring, not only on our Navy but on our Air Force, shows that we ourselves know that our position as an island is not the same as it was in the previous generations. It was based largely on an illusion as regards to-day. If that be so, what can the British Government do to produce some state of things in Europe which shall prevent this competition in armaments growing up again ? . . .' Debate in the House of Lords on the Limitation of Armaments, 24th July, 1924 (Hansard, vol. lviii, No. 64, pp. 959–60).

Pact as French statesmen had conceived it. Since *ex hypothesi* the main agreement was to be general, the League of Nations scheme (unlike Article 4 in M. Poincaré's project for an Anglo-French treaty) did not contain the germ of an Anglo-French hegemony in Europe, from which British opinion was averse with good reason. Nor was there to be any special guarantee, on Great Britain's part, of the East European Allies and Associates of France (such special groups, while permitted, being *ex hypothesi* voluntary); and, although the proposed general guarantee presumably involved greater obligations than the Covenant of the League and the four European Peace Treaties (to all of which the British Government had already set its signature), both general and special guarantees were only to be given in consideration of a reduction of armaments on the part of each state receiving them, so that, if the liability of Great Britain to bear European risks was to be increased, these risks themselves were to be reduced all round simultaneously. In all these respects the draft Treaty offered possibilities of a *rapprochement* between the French and British points of view, but it broke down over the same crux as the project for an Anglo-French Pact—namely, the fact that the area within which it was to take effect was not commensurate with Europe. Given the insularity of the British outlook, a system of security based on a bilateral Pact between Great Britain and France could cover only a fraction of Europe. On the other hand, owing to the universality of the League of Nations, which possessed Members in every region of the world, a scheme based on the League organization was bound to embrace not only Europe but the Middle East, Africa, the Far East and Pacific, and the American Continent, and this meant that the overseas members of the British Commonwealth, as well as the United Kingdom, would necessarily be involved.

In all the negotiations for an Anglo-French Pact, the adhesion of the British Dominions had been expressly reserved and left to their respective option. A clause to this effect had appeared not only in the abortive treaty of the 28th June, 1919, but in Mr. Lloyd George's draft annexed to his memorandum of the 4th January, 1922, and in M. Poincaré's draft of the 12th January, 1922. Moreover, on the 5th December, 1921, in the first conversation in which the question of a bilateral Pact had been reopened, Lord Curzon had been careful to place on record the existence of this factor in the problem.

> It must be remembered—and this also His Excellency readily acknowledged—that British foreign policy was now not the policy of the

Cabinet in Downing Street alone, but was the policy of the Empire, and the points of view of the Prime Ministers of our distant Dominions had also to be seriously considered. Furthermore, we should have to consider whether there was a fair balance in the advantages predicated and in the responsibilities entailed. No country, even for so great an object as the peace of the world, could be expected to enter any alliance, the advantages of which, in its view, did not exceed the risks. Many persons and many points of view would have to be taken into consultation.

In fact, there was a marked disparity between the respective stakes of the overseas members and the European member of the British Commonwealth in the problem of European security, just as there was between the stakes of the United Kingdom and France, and there were corresponding differences in the scale of the premiums which the several parties were prepared to pay. While the United Kingdom was unwilling to insure itself against the risk of Europe at so high a price as France, the Dominions, in their turn, were not prepared to go so far as Great Britain. In the successive projects for an Anglo-French Pact, this difficulty had been met, as has been mentioned, by making it optional for the Dominions whether they would join Great Britain in guaranteeing the eastern frontiers of France (and Belgium) on the European Continent. On the other hand, a general Treaty of Mutual Assistance, while it would impose relatively smaller obligations upon the United Kingdom in respect of Continental Europe, would impose on the Commonwealth as a whole an obligation which would not be confined to Europe but which would extend throughout the world. The proviso (in Article 5 of the draft) that, in principle, no party situated in a continent other than that in which operations were to take place should be called upon by the Council of the League to co-operate in military, naval, or air operations against an offending state, was calculated to aggravate the situation from the British Commonwealth point of view; for while it might effectually limit the obligations of states whose political and economic relationships were substantially confined to one or two regions [1] (e. g. Poland and Czechoslovakia in Europe; Japan in the Far East and the Pacific; the 'ABC' states in the

[1] If the draft had been carried further, it may be presumed that in this article those regions which were the real units of international grouping in the contemporary world would have been substituted for the 'continents', which in every case except possibly that of Europe had only an academic significance at this time. For an effective criticism of this proposal to define obligations in terms of continents, see the speech delivered on the 6th September, 1924, during the Fifth Session of the Assembly of the League, by the Brazilian representative, Señor Mello-Franco. The proposal displays the special regional mentality of the Continental European.

American Continent ; or France in Europe, in the Islamic World and in Tropical Africa), this very effect of the proviso would relatively increase the obligations of the British Commonwealth, which might be called upon to co-operate wherever sea-power could be brought to bear, and which had territorial holdings of first-class importance in every region of the world. While the Commonwealth was concerned in Europe in respect of the United Kingdom, it was no less closely concerned in the Islamic World in respect of India, 'Iraq, Palestine, Egypt, the Sudan, and the water route connecting these countries with Great Britain ; it was concerned in Tropical Africa in respect of the United Kingdom's Crown Colonies, Protectorates, and Mandates, and of the national and mandated territories of the South African Union ; it was concerned in the Far East and the Pacific in respect of India, the Straits Settlements, Hong Kong, Australia, New Zealand, and Canada ; and in respect of Canada, again, it was concerned in the American Continent.[1] Finally the Commonwealth, as a community depending upon international commerce for its livelihood, was interested in all the great thoroughfares of trade and in the economic condition of every other community in whose economy international commerce was an important factor.

Thus the draft Treaty of Mutual Assistance confronted the several members of the British Commonwealth with the necessity for making a decision which might be more crucial for their joint and separate future than the problem presented to other Members of the League, not excluding France ; and the consciousness of this fact was reflected in the respective observations upon the draft which they offered in response to the League Council's request. The British Government's reply, which was not dispatched to Geneva until the Dominion Governments had been consulted in regard to its tenor, raised formidable objections to acceptance of the draft, and the same or similar objections were raised in even more decided terms by the Dominions. In the British Government's reply, which was dated the 5th July, 1924, and signed by Mr. Ramsay MacDonald, it was pointed out that

> the main criticisms of the proposed treaty fall under two heads, which may be expressed in an interrogative form : Are the guarantees contained therein sufficient to justify a State in reducing its armaments ? Are the obligations to be undertaken towards other States of such a nature that the nations of the world can conscientiously engage to carry them out ?

[1] For the influence upon the outlook of Canada of her situation in the American Continent, see the *Survey for 1925*.

Under the former head, several difficulties were discussed, especially that of determining the aggressor, and the conclusion was reached that

> the guarantee afforded by the draft Treaty is so precarious that no responsible Government will feel justified in consenting to any material reduction of its armaments in return. If, as His Majesty's Government feel convinced, this is the case, the whole object of the Treaty is lost and its conclusion is objectless. His Majesty's Government, indeed, go further. They are persuaded, after careful examination of the draft scheme, that, if the obligations created by the Treaty be scrupulously carried out, they will involve an increase rather than a decrease in British armaments.

The reply went on to criticize ' the proposal to superimpose on a general treaty a system of partial treaties between groups of countries ', and to protest against the ' undesirable extension of the functions of the Council of the League ' which the Treaty appeared to involve. ' The Council would become an executive body with very large powers, instead of an advisory body.' The British Government's decision was conveyed in the following terms :

> For the reasons which have been enumerated, the draft Treaty, in the eyes of His Majesty's Government, holds out no serious prospect of advantage sufficient to compensate the world for the immense complication of international relations which it would create, the uncertainty of the practical effect of its clauses, and the consequent difficulty of conducting national policy.

As an alternative to the acceptance of the draft, Mr. MacDonald proposed, in the last paragraph of his letter, that, upon the first favourable opportunity, a disarmament conference should be convened which should include the Governments of countries not yet Members of the League.

Meanwhile, the Australian Government had rejected the draft Treaty in a reply signed by Mr. Bruce and dated the 4th July, from which the following passages may be quoted :

> The particular national and geographical situation of Australia needs emphasis. We are a small population, forming part of the British Empire and occupying a continent ; and in this respect our position is entirely different from that of any European State. It follows that any treaty of mutual assistance specially designed to meet European conditions could be made applicable to Australia only after considerable reservation. This latter observation is specially warranted in view of the provisions of Article 5 (*b*) of the draft Treaty, from which it must be inferred that the Continent of Europe was chiefly in mind when the Treaty was being drafted. . . .
>
> The result of this article, in its application to Australia, is that no

nation signatory to this Treaty would be under any obligation to come to the assistance of Australia if she were attacked, and Australia herself would not be obliged to render assistance to anybody. In other words, there is neither obligation to assist nor guarantee of receiving assistance so far as Australia is concerned.

A similar point was made in the Canadian Government's reply, which was dated the 9th July and signed by Mr. Mackenzie King.

The position of Canada in the British Empire is such that, in spite of the fact that the application of the Treaty to the continent of North America is by its terms conditioned upon its ratification by the United States of America, the question of Canada's adherence to it has a more practical aspect than it would otherwise have. . . .

Canada's position in the British Empire affects the protection afforded her by the continental limitation, of which in any event the utility is uncertain, since it appears doubtful if hostile action can widely or indeed safely be undertaken by any State upon the principle of limited liability. . . .

For these reasons and those expressed in the communication of the Government of Great Britain, the Canadian Government is of the opinion that the nature of the proposed Treaty is such that, so far as it purports to impose a future obligation to take specific action in circumstances incapable of present definition, it would be hopeless to expect the people of Canada to accept it, and it is also of opinion that, even if those provisions of the draft were generally approved and brought into operation, their effect would neither be to minimize the danger of war nor to bring about any useful limitation of armaments.

It is significant that, *mutatis mutandis*, the considerations thus brought forward by the Australian and Canadian Governments occurred independently to the Government of Uruguay, the only other overseas state (apart from the United States) which submitted observations.

It is only natural that, in the Draft Treaty, account should have been taken mainly of the geographical, economic and military situation in Europe, because, in the first place, the dangers and possibilities of conflict on that continent are more immediate, and also because (as the question has been dealt with in a European atmosphere) the special circumstances to which the situation in Europe daily, and almost hourly, gives rise have necessarily been taken into account. . . .

The position of the Members of the League in this part of the world is very different. Communications with countries in other continents are slow and at times difficult ; it may therefore happen that measures for co-operation and effective assistance can only be carried out when the situation has become virtually irretrievable.

Within the continent itself, or even in each district of the continent, the position is no better. Uruguay, for instance, owing to the difficulty of communications, is further from the northern countries of South America than from all, or nearly all, the countries of Europe.

If, in accordance with the terms of paragraph (*b*) of Article 5, mutual guarantee is limited, as regards participation in military, naval and

> air operations, to the countries belonging to the continent where the conflict, or danger of conflict, arises, a threatened country situated at one end of the American continent may be said, at least in certain circumstances, to be left completely unprotected. Such a country, therefore, would have to assume all the obligations imposed upon it by the Draft Treaty and would be obliged to furnish such military assistance as the Council required in accordance with the terms of the Treaty, without being in a position itself to receive the co-operation and military assistance for which provision is made.

The publication of the British Government's letter gave rise, on the 24th July, 1924, to a debate in the House of Lords, on a motion by Lord Grey, in which the issues were brought out very clearly. On this occasion Lord Parmoor, speaking for the Government of the day, elaborated and defended the points previously made in their letter, in regard not only to the peculiar situation of the British Commonwealth but to the questions of special complementary treaties and of the executive powers which the draft would confer upon the League Council ; and he was answered, point by point, by Lord Cecil. On most points, except that relating to the British Commonwealth, impartial readers of the report will probably judge that Lord Cecil had the better of the argument. With his unrivalled grasp of the subject, he was able to argue with great force that the objections advanced by Lord Parmoor and his colleagues were invalid. The situation of the Commonwealth, however, was the question on which the debate turned, and it was significant that in this matter Lord Parmoor received powerful support from Lord Balfour, who was not only one of the leading members of the Opposition at that time but shared with Lord Cecil the distinction of having done more than any other British statesman to promote the cause of the League of Nations.

The attitude of the Dominion Governments towards the draft Treaty was reported and commented upon by Lord Parmoor as follows :

> Canada has written a letter on the particular communication to her containing the terms of our objection to the proposed Treaty of Mutual Assistance, concurring with the views which we express. South Africa does not consider the draft Treaty a practical solution. Australia concurs in our reply ; New Zealand concurs in our reply ; India concurs ; and the Irish Free State have not had time to give adequate consideration. Is it possible to conceive the idea of separating Dominion opinion from that of the Mother Country on a matter of this kind ?

Lord Cecil, in his reply, admitted that the attitude of the Dominions was a serious—though in his opinion the only serious—

argument against acceptance of the draft ; but he pointed out that the difficulty extended far beyond this particular case to all the foreign relations of the Commonwealth, and he protested against an unfair exploitation of it.

> To tell me that because, following the lead of His Majesty's Government and accepting their advice—for that is the real truth—the Dominions have at first sight expressed dissent from this proposal, we ought to strike it out immediately and altogether, seems to me to be a doctrine to which I for one cannot subscribe.

This treatment of the question, however, drew a vigorous protest from Lord Balfour.

> I agree [he said] with the Government in thinking that this Treaty cuts right across the strongest arrangement of all that you could have. This subsidiary treaty cuts right across that arrangement, and divides the world into continents. As the noble and learned Lord who spoke for the Government pointed out, we have members of our British community in every continent in the world. Therefore an arrangement which contemplates treaties which in their nature are continental, runs absolutely across the lines of a much better and more powerful arrangement and one more conducive to peace, which is not only not continental in its character but is characteristically non-continental. I am unable to see how a system can work which seems to contemplate the possibility that Great Britain can be at war as a member of one of these subsidiary arrangements of nations—an arrangement of nations, for instance, which is interested only in the European continent—while the members of the British Empire in other continents are to remain indifferent, neutral, neither contributing to the result nor bearing the burdens. You cannot work the British Empire on those principles and, as I think the British Empire is of all the conceivable unifications of free and independent communities the most important, the most powerful, the most committed to a policy of peace, I say that anything which runs in any sense across its arrangements must be extremely inimical to the highest interests of the League of Nations. I do not think my noble friend who has just sat down attempted any answer to what seems to me so fundamental an objection.

At the conclusion of the debate Lord Grey's motion calling for papers was withdrawn, and the success of the British Government in defending in Parliament that policy towards the draft Treaty which they had adopted in accord with the Dominion Governments made it evident that the problem of security would not be solved in this particular form ; but this did not mean that all attempt at a solution would be abandoned or even that the principles underlying the draft Treaty of Mutual Assistance would not be embodied again in the next scheme brought forward. Even those Governments which had rejected the draft had paid homage to the cause which it had been intended to serve and had been careful to place on record

their conviction that the common goal must be approached along some path or other. Indeed, the problem could not be left alone, for a solution was imperative, not only for France and the other continental states of Europe, but also for the British Commonwealth and its members. The very ubiquity of British interests, which tended to raise to a prohibitive figure the premium demanded from the Commonwealth collectively by any insurance scheme, had also the effect of making world peace and British interests identical; and there was a real danger that while the members of the Commonwealth were exhaustively discussing exactly what premium they would be prepared to pay and what should be their respective contributions, they might see their scattered premises caught in a fresh conflagration. In the debate in the House of Lords on the 24th July, 1924, an eloquent warning against this danger was uttered, in his opening speech, by Lord Grey.

> What public opinion in this country does not realize is that, under the modern condition of things, a policy of isolation and drift for this country is a policy of the risk of certain catastrophe. They do not realize that. They see the objections to our undertaking to do anything positive. They do not realize the certainty of catastrophe if we continue a policy of isolation and drift and that the competition in armaments will certainly begin in Europe again, that we shall be involved in it more deeply than ever before, as we are already involved in competition in the air, and that it will lead to war as certainly as it did before—to another war on a greater scale even and under more appalling conditions than the last one.

Such warnings as this were not without effect, and accordingly the British representatives at the Fifth Session of the League Assembly took an active, though not the leading, part in elaborating a scheme by which the objects of the draft Treaty of Mutual Assistance were to be secured in another way.

(v) The Geneva Protocol for the Pacific Settlement of International Disputes.[1]

From the facts recorded in the previous sections, it will have become apparent that when the Assembly of the League of Nations met, on the 1st September, 1924, for its Fifth Session, in order to take up once again the problem of security and disarmament, it was

[1] For texts see the two pamphlets *Reduction of Armaments: Debate in the Fifth Assembly, 4th–6th September, 1924*, and *Arbitration, Security and Reduction of Armaments: Documents and Proceedings of the Fifth Assembly (September, 1924)* (Geneva, 1924, Information Section, League of Nations Secretariat);

confronted with a difficult task. It has been explained that, in working for the limitation of armaments in accordance with the terms of the Covenant, the League and its organs had found it impossible to formulate practical proposals without taking into account the problem of security ; and the draft Treaty of Mutual Assistance had embodied the results of long and arduous labours undertaken along these lines. Yet, since the Fourth Session of the Assembly, at which this draft had come up for consideration, the observations upon it which had been received from a number of Governments had made it evident that the Treaty would never pass beyond the draft stage. The objections raised, on various grounds, by the United Kingdom, by the British Dominions and other overseas states, by the European ex-neutrals, and even by certain ' successor states ' in Eastern Europe which were allied or associated with France, were cumulatively overwhelming ; and the British Government, in the letter conveying its unfavourable observations on the draft, had suggested a fresh departure, namely, the calling of a conference, not confined to Members of the League, to consider the reduction of armaments. After the experience of the Washington Conference,[1] there seemed little likelihood that this suggestion, taken by itself, would be fruitful as far as land armaments were concerned. There was thus a real danger that at the Fifth Session of the League Assembly there might be ' scrapped ', not ' capital ships ' or other engines of destruction, but a great piece of constructive work in the cause of peace, without its being replaced by any practicable alternative. The dangers inherent in such a negative conclusion were witnessed by the fact that even those Governments which had criticized the draft most sharply had been careful to add that some solution of the problem attacked in it was indispensable.

In general, therefore, the prospects of the Fifth Assembly might have been less favourable than those of its predecessor, but for one new fact which was so important in itself that it doubtless accounted, more than any other single factor, for the great step forward which the Fifth Assembly actually found itself able to take as the result of a month's deliberation. This fact was, of course, the change which had occurred during the intervening twelve months in France—a change which could not be measured merely by the fall of

and League of Nations Document C. 708, 1924, ix (C. C. O. 1): *Arbitration, Security and Reduction of Armaments : Extracts from the Debates of the Fifth Assembly, including those of the First and Third Committees ; Reports and Resolutions adopted by the Assembly and the Council.*

[1] See *Survey, 1920–3*, Part VI, Introduction.

M. Poincaré and the accession to office of M. Herriot as a result of the General Election of May 1924. A psychological transformation had occurred in France of which the change of ministry was only a symptom. Those statesmen who disagreed with the policy of M. Poincaré had come into power because the majority of the French nation had made up their minds that France could not find security through the separate exercise of military force, or even through military measures or preparations concerted with her continental Allies and Associates, if that policy alienated (as it did) the public opinion of the rest of the world. The question which had been debated in 1919 between Marshal Foch and M. Clemenceau had confronted France again. Was security something entirely objective, which could only be attained by certain specific technical military measures, or was there an indispensable subjective element—a faith, on the threatened nation's part, in the loyalty of her sister nations and an answering sense of obligation on theirs—in other words, a moral solidarity between the peoples concerned, without which the most highly perfected military arrangement might prove inadequate in the hour of need ? Was France deliberately to sacrifice, as of no account, that unequalled moral claim upon the rest of the world which she had earned by her achievements and sufferings in the War of 1914 ? In 1924, as in 1919, the mind of France rejected the logical consequences of the professional military point of view which had been formulated by Marshal Foch and translated into a policy by M. Poincaré ; and, while the longing for national security in the heart of every Frenchman remained as deep as ever, the French nation decided again, at the critical moment, that it would be a false step to put trust in military arrangements to the neglect of all other considerations. Thus, in approaching the problem of security and disarmament, the Fifth Assembly found itself released from one fetter which had hampered the work of the League hitherto. The authors of the draft Treaty of Mutual Assistance had been compelled, in deference to the mood and policy of France at the time, to work out a scheme into which a system or systems of Continental military alliances could be fitted as they stood, and one of the strongest criticisms of their final draft was that this necessity had determined its structure to such an extent that it had become an instrument for the armed maintenance of the existing régime in Europe rather than for that reduction of armaments which had been the object originally in view. At the Fifth Assembly, however, the French delegation, while not renouncing material guarantees, was

so much less insistent upon a precise military formula and so much more inclined to find efficacy in moral guarantees such as the mutual renunciation and prohibition of private wars between states, and, in case of contravention, the designation of the aggressor and the obligation resting upon the signatories to render ' loyal and effective ' assistance to the party attacked, that it became possible for other delegations, which started from the standpoint, not of security, but of disarmament and arbitration, to meet the French delegation half-way.

The personal bridge between the French and British representatives had been built beforehand by the diplomatic initiative of Mr. Ramsay MacDonald, who, after his accession to office, had essayed the formidable task of establishing a human relation with M. Poincaré and had been rewarded for his daring by the stroke of fortune which, at the critical moment, had replaced M. Poincaré by M. Herriot. When the Assembly met at the beginning of September 1924, the personal *entente* between the French and British Prime Ministers had already been confirmed by the happy issue of the London Conference on Reparation,[1] and the psychological conditions were therefore highly favourable to the reconciliation of the French and British points of view on the still larger question which confronted the statesmen of Europe at Geneva. At the same time, the actual theses presented by Mr. MacDonald and M. Herriot at the outset of the discussions at Geneva were objectively still so far apart that it may be doubted whether, without the indefatigable diplomatic resourcefulness of M. Beneš (Czechoslovakia), the legal acumen of M. Politis (Greece) and Sir Cecil Hurst (British Empire), and the brilliant qualities of MM. Briand, Loucheur, Paul-Boncour, and de Jouvenel, who jointly represented France after M. Herriot's departure, it would have been possible, with the best will in the world, to work out a text upon which all parties could (at least provisionally) agree.

The proceedings began with a three days' debate (4th–6th September) in which the most important of the eighteen speeches delivered were perhaps those of MM. MacDonald, Herriot, Beneš, and Politis.

Mr. MacDonald (who opened the debate) recapitulated to the Assembly those objections to the draft Treaty of Mutual Assistance which he had expressed in his letter of the previous 5th July to the Secretary-General.

> We do not believe that military alliances will bring security. We believe that a military alliance within an agreement for security is like

[1] See pp. 367–84, below.

> a grain of mustard seed. Small to begin with, it . . . will grow and grow. . . . If we are going to undertake obligations, if we say we are going to carry them out, we want to know exactly what they are.

He then referred to the absence from the League of the United States, Russia, and Germany ; and, while expressing the pious hope that the two former Powers might become Members in the indefinite future, he urged the importance of including Germany at once.

> There is not a single question regarding armaments, regarding the conditions of peace, regarding security, regarding the safety and the guarantee of the existence of the small nations—not a single one—that we can discuss amongst ourselves, with a menacing vacant chair in our midst. Neither can Germany remain outside in her own interests. Negotiations with an isolated Berlin can never be effective. The London Conference created a new relationship between Germany and the other European States, and that relationship should now be sealed and sanctified by Germany's appearance on the floor of this Assembly.

Passing to the question of security, Mr. MacDonald emphasized the difficulty of defining aggression, and at this point he broke new ground [1] by proposing to apply the test of arbitration.

> The one method by which we can secure, the one method by which we can approximate to an accurate attribution of responsibility for aggression is arbitration. . . . The test is, Are you willing to arbitrate ? The test is, Are you willing to explain ? The test is, Will you come before us and tell us what you propose to do ? The test is, Will you expose your commitments ? Are you afraid of the world ? Are you afraid of daylight, a lover of darkness and timorous lest the world should know what is in your mind ? Such is the test, the only test.

His positive proposals were that a court or courts should be set up for dealing (presumably exhaustively) with ' justiciable ' and ' non-justiciable ' questions ; that the so-called ' Optional Clause ' (Art. 36, § 2) in the statute of the Permanent Court of International Justice should be given ' a somewhat more accurate, expanded and definite form ' with a view to its general adoption ; that when, but not until, these foundations had been laid a conference—including all nations, but to meet in Europe—should be held to consider the reduction of armaments ; and that the text of the Covenant should be elaborated. On this last point, he struck a note which remained

[1] The element of arbitration had, however, already been imported into the discussions in several of the replies to the Council's request for observations on the draft Treaty of Mutual Assistance—particularly in the elaborate reply received from Germany.

dominant throughout the proceedings and contributed to their success.

> What we require now is that the Covenant should be elaborated. We do not want a new foundation. Before it is elaborated, it ought to be understood.

In his peroration, however, Mr. MacDonald spoke a sentence which gave some measure of the distance which the British and the French Governments had still to travel before they could stand on common ground.

> Our interests for peace are far greater than our interests in creating machinery of defence. A machinery of defence is easy to create, but beware lest in creating it you destroy the chances of peace.

M. Herriot (who spoke on the following day) took up Mr. MacDonald's suggestions. The basis of action must be the Covenant.

> It is by thinking over and putting in force the articles of this solemn instrument that France seeks for the rules which are to guide her future action and her foreign policy.

After praising the draft Treaty of Mutual Assistance for 'making a war of aggression an international crime' and 'covering not merely actual war but policies likely to lead to war—not merely aggression, but the threat of aggression', he reviewed the main objections which had been brought against the draft, and took his stand with Mr. MacDonald, first, by declaring that, in the French view, the most serious of those objections was the difficulty of determining the aggressor, and, secondly, by welcoming the emphasis which his British colleague had laid upon the idea of arbitration. He also accepted the proposal to reconsider the optional clause in the Statute of the Permanent Court of International Justice, but on other specific points he took a line of his own. The question of arbitration, in his opinion, should be referred, not to a special *ad hoc* body, but to the regular First and Third Committees of the Assembly; and while an invitation to the subsequent conference on the reduction of armaments should be extended to the United States, the conference should be organized by the League of Nations. The most important passage, however, was that in which he spoke the mind of France on the subject of security.

> Arbitration is essential, but it is not sufficient. It is a means, but not an end. It does not entirely fulfil the intentions of Article 8 of the Covenant, which, if I may again remind you, are security and disarmament. We in France regard these three terms—arbitration, security,

> and disarmament—as inseparable ; and these three words would be but empty abstractions did they not stand for living realities created by our common will. . . . Arbitration must not be made a snare for trustful nations. If upon the foundation of this trust you desire to establish a final charter to govern international relations, you must, of your free will, afford protection to all countries that loyally observe their bond—if necessary, the smallest country—against the deceit and menaces of force. A great nation can, if need be, protect itself unaided ; a small nation cannot. We Frenchmen believe—and in speaking thus I am expressing a moral rather than a political idea—we Frenchmen believe that a nation which accepts arbitration ; which, notwithstanding the uncertainties and risks that still exist in the world, sets this example of willingness to accept the dictates of justice ; we Frenchmen believe that such a nation, be it great or small, has a right to security.

In this frank statement of the problem, the French Prime Minister undoubtedly expressed the feelings of his countrymen irrespective of party ; but in a later sentence he also faithfully reflected the change of temper which had come over the French nation during the preceding year.

> No, we do not believe that force alone can bring security. We do not undervalue the importance of the economic and financial sanctions prescribed in Article 16 of the Covenant. We must strive to create in all countries a new spirit which will feel for the public crime of war the same abhorrence as is now felt for the crimes of individuals.

The two speeches which have just been summarized were important because they were delivered by the respective Prime Ministers of two leading Members of the League and therefore gave the measure of the problem and indicated the general lines on which it might be solved. The speeches of M. Beneš and M. Politis were important in virtue of the special personal abilities which the two speakers, as individuals, were able to bring to bear upon the solution of the common task. From the First Session onwards it had been one of the most valuable characteristics of the League Assembly that it offered a forum for political talent, whether the statesman who contributed it happened to represent a Great Power or an intermediate or minor state. The part played by MM. Beneš and Politis, during the Fifth Session, in building up the Protocol for the Pacific Settlement of International Disputes was one symptom among many that in Europe, if not in the world as a whole, the existence of the League of Nations was rapidly bringing into being a system of relations between states which was more intimate and more democratic than any which had been known before in the history of Western society.

M. Beneš, as *rapporteur* of the Third Committee of the Fourth Assembly for the question of disarmament and the Treaty of Mutual Assistance, began by reviewing the past.

> For two years in succession we wrestled with the problem. After prolonged, detailed and sometimes heated discussion, we succeeded in establishing one definite principle which has since played an important part in the policy of the League, and, indeed, in European policy. This principle is that the reduction of armaments goes hand in hand with the establishment of some system providing security for countries which have hitherto been obliged to protect their national independence and liberty by means of armaments.

In regard to security, he ranged himself, in the name of Article 8 of the Covenant, at the side of M. Herriot.

> We cannot abandon a principle to which we are committed under the terms of the Covenant, by four years of work and by a unanimous resolution of the Assembly. It is a principle, too, which is vital to the political requirements of a number of countries, which frankly declare that, unless the reduction of armaments is accompanied by some kind of guarantee, they cannot reduce their armaments to any appreciable extent.

At the same time, he characteristically declined to admit that the ground on which Mr. MacDonald stood was different.

> I am particularly glad to note that the British Prime Minister, Mr. Ramsay MacDonald, although he has not expressed himself quite so definitely as I have done, does seem to take account of the facts. It is in this sense that I interpret his statement that the time is not yet ripe for a conference, that we must first prepare the way for the elaboration of a procedure for the reduction of armaments, and that, as regards the guarantees of security in the Covenant, closer definition and further development are necessary.

He justified this optimism by pointing out that the paths on which the feet of the French and British Prime Ministers were set would inevitably converge.

> Effective guarantees and the promise of assistance are not only a necessary condition but they are also an inevitable consequence of arbitration. Suppose that a treaty of compulsory arbitration has been concluded and then violated. Does that not call for sanctions ? Is the case not much worse when one country attacks another, having given jointly with other nations solemn promises in writing, than when it is not bound at all and the question at issue is merely some ordinary quarrel or chance dispute affecting national honour ? From the point of view of international morality the case is much more serious and sanctions are an absolute necessity.

He faced the fact that the various states concerned were in very different positions, and that while some states feared that their obligations would be too heavy, others were equally afraid that their guarantees would be insufficient ; but he expressed confidence in the discovery of a middle way.

> In this matter I am a practical idealist : I believe that we shall succeed in discovering a means of adjusting the advantages enjoyed by some to the sacrifices made by others. I believe a check can be found for those who are ever ready to make an unwarrantable use of force.

Finally he sketched a practical programme of action—a matter on which he was particularly qualified to advise the Assembly, in view of the intimate personal part which he had taken in all the previous attempts to grapple with the problem.

> First, we must consider all the available material, the Treaty of Mutual Assistance, the Covenant, the replies from the Governments and so forth. We must discuss them and afterwards state in clear and final terms the manner in which we propose to define the guarantees of security. Secondly, we must at once set to work to draw up some plan for the reduction of armaments that will be compatible with security, in preparation for the conference on the reduction of armaments to be convened by the League of Nations at a suitable time. Thirdly, we must immediately undertake the requisite preliminary work in order that we may ourselves examine, define and elucidate and finally sign the clause on compulsory arbitration. If that clause can be expanded to include sanctions, it will be a sure guarantee against the possibility of unwarranted aggression. If after this debate we can agree on these three important points, we shall have made an immense advance in the great fight for peace.

Finally, M. Politis, in a speech distinguished by a brilliant logical clarity, drew out the implications of certain provisions in the Covenant and of certain suggestions which had been made by previous speakers. In the first place, he pointed out an important limitation in the Covenant's scope.

> Only some wars, not all wars, are prohibited, and it is against such wars that the Covenant provides for certain sanctions. The problem is, therefore, twofold : Should we extend to all wars the prohibition laid down by the Covenant with reference only to certain wars ? Are the sanctions that it lays down against those wars which it does prohibit really adequate ?

Turning to compulsory arbitration, he welcomed the declaration of the representatives of the Great Powers that they were prepared to accept it, but proceeded ' to sift this idea a little more closely ',

and to demonstrate that ' what was at the back of Mr. MacDonald's mind was not compulsory arbitration in the technical sense so much as compulsory mediation and conciliation with which every party to an international dispute must comply, under pain of being considered *de jure* the aggressor and held responsible for any subsequent disturbance of the peace '. M. Politis questioned whether it was desirable to transfer to some new body, specially created for this purpose, those mediatory powers which appertained to the Council of the League under Article 12 of the Covenant. Lastly, he proved in a cogent chain of arguments, illustrated by the brief and unfortunate history of the Supreme Court of Central America, that while ' in optional arbitration guarantees are needless because they are useless '—the judicial procedure being based, in every case, upon a special antecedent agreement ' by which the states pledge themselves, with their eyes open, loyally to accept the judgement of the Court '—it was equally certain that, when arbitration was compulsory, guarantees would be indispensable.

The arguments and suggestions put forward by these four speakers in the preliminary debate have been recorded here at some length because they not only contained the materials out of which it proved possible, on the very day (the 6th September) on which the public discussion terminated, to lay down a common foundation, but also foreshadowed the main lines on which the structure of the Geneva Protocol was to be erected during the next three weeks.

The foundation was laid in the following resolution, presented jointly by MM. MacDonald and Herriot and adopted by the Assembly on the 6th September, 1924 :

> The Assembly,
>
> Noting the declarations of the Governments represented, observes with satisfaction that they contain the basis of an understanding tending to establish a secure peace,
>
> Decides as follows :
>
> With a view to reconciling in the new proposals the divergences between certain points of view which have been expressed and, when agreement has been reached, to enable an international conference upon armaments to be summoned by the League of Nations at the earliest possible moment :
>
> (1) The Third Committee is requested to consider the material dealing with security and the reduction of armaments, particularly the observations of the Governments on the draft Treaty of Mutual Assistance prepared in pursuance of Resolution XIV of the Third Assembly and other plans prepared and presented to the Secretary-General since the publication of the draft Treaty, and to examine the obligations

contained in the Covenant of the League in relation to the guarantees of security which a resort to arbitration and a reduction of armaments may require.

(2) The First Committee is requested :

(*a*) To consider, in view of possible amendments, the articles in the Covenant relating to the settlement of disputes ;

(*b*) To examine within what limits the terms of Article 36, paragraph 2, of the Statute establishing the Permanent Court of International Justice might be rendered more precise and thereby facilitate the more general acceptance of the clause ;

and thus strengthen the solidarity and the security of the nations of the world by settling by pacific means all disputes which may arise between States.

This remarkable achievement of Anglo-French co-operation, which greatly assisted the subsequent labours of the First and Third Committees of the Assembly by lending them prestige and inspiring their members with confidence, was due not merely to the goodwill of the two Prime Ministers but to the energy and ingenuity of the other statesmen whose names have been mentioned above ; and when MM. MacDonald and Herriot returned to the capitals of their respective countries to attend to internal affairs, the work at Geneva was carried on by M. Politis and M. Beneš as the respective *rapporteurs* of the First Committee and the Third. Although the work of the Committees was interrupted, and at the last moment even endangered, by certain crises which are mentioned below, the *rapporteurs* were able, on the 1st October, 1924, to submit jointly to the Assembly the draft of a Protocol for the Pacific Settlement of International Disputes, in which the recommendations of both Committees were amalgamated, together with a lucid, though closely reasoned, general report containing an analysis of both sides of the scheme. On the 2nd October, after these documents had been discussed by the Assembly in plenary session for two days, the Protocol was unanimously recommended to the acceptance of the Governments in two resolutions, the texts of which may be printed here, since they largely determined the course of international politics during the following year.

I

1. The Assembly,

Having taken note of the reports of the First and Third Committees on the questions referred to them by the Assembly resolution of September 6th, 1924,

Welcomes warmly the draft Protocol on the Pacific Settlement of

International Disputes proposed by the two Committees of which the text is annexed to this resolution, and

Decides :

(1) To recommend to the earnest attention of all the Members of the League the acceptance of the said draft Protocol ;

(2) To open immediately the said Protocol in the terms proposed for signature by those representatives of Members of the League who are already in a position to sign it and to hold it open for signature by all other States ;

(3) To request the Council forthwith to appoint a Committee to draft the amendments to the Covenant contemplated by the terms of the said Protocol ;

(4) To request the Council to convene an International Conference for the Reduction of Armaments, which shall meet at Geneva as provided by the following stipulations of Article 17 of the draft Protocol : [citation omitted.]

(5) To request the Council to put into immediate execution the provisions of Article 12 of the draft Protocol.

2. The Assembly,

Having taken cognisance of the report of the First Committee upon the terms of Article 36, paragraph 2, of the Statute of the Permanent Court of International Justice ;

Considering that the study of the said terms shows them to be sufficiently wide to permit States to adhere to the special Protocol, opened for signature in virtue of Article 36, paragraph 2, with the reservations which they regard as indispensable ;

Convinced that it is in the interest of the progress of international justice, and consistent with the expectations of the opinion of the world, that the greatest possible number of States should, to the widest possible extent, accept as compulsory the jurisdiction of the Court,

Recommends :

States to accede at the earliest possible date to the special Protocol opened for signature in virtue of Article 36, paragraph 2, of the Statute of the Permanent Court of International Justice.

II

1. The Assembly recommends the Council to place the question of Regional Agreements for the Reduction of Armaments on the agenda of the International Conference for the Reduction of Armaments.

2. Whereas the majority of the States which have replied have stated that, with certain exceptions, they have not exceeded the expenditure on armaments shown in their last budgets, and whereas the recommendations addressed to the Governments relate to the period which must elapse before the meeting of the International Conference for the Reduction of Armaments, which is to take place next year :

The Assembly does not consider it necessary to repeat the recommendation regarding the limitation of expenditure on armaments, as this question is to be placed upon the agenda of the International Conference for the Reduction of Armaments.

3. The Assembly is of the opinion :

(1) That another technical conference on naval disarmament is unnecessary.

(2) That the question of naval disarmament should be discussed as part of the general question of disarmament dealt with by the International Conference proposed in the resolution of September 6th, 1924, adopted by the Fifth Assembly, and that it rests with the Council to settle the programme.

4. The Assembly requests the Council, in preparing the general programme of the Conference for the Reduction of Armaments provided for in Article 17 of the Protocol, to consider the advisability of including in that programme the following points :

(1) General plan for a reduction of armaments in accordance with Article 8 of the Covenant, in particular :

(*a*) Basis and methods of reduction (budget, peace-time effectives, tonnage of naval and air fleets, population, configuration of frontiers, &c.).

(*b*) Preparation of a typical budget for expenditure on armaments.

(2) Special position of certain States in relation to the reduction of armaments :

(*a*) Temporary reservations by countries exposed to special risks ;

(*b*) Recommendation of regional agreements for the reduction (or limitation) of armaments.

(3) Recommendation of the establishment of demilitarized zones (Article 9).

(4) Control and investigation of armaments in the contracting States.

The Assembly also requests the Council to instruct the competent organizations of the League to examine the schemes relating to the above questions which have already been submitted to the Third Committee, or which may subsequently be received by the Secretariat, and to take them into consideration in preparing the programme of the Conference.

As for the Protocol itself, every phrase, if not every word, of this pregnant document was charged with meaning, and therefore any attempt to give a *résumé* of it would be not merely superfluous but positively misleading, while a legal commentary would be equally beyond the scope of this work and the capacity of the writer.[1] From the historical point of view, however, it may be interesting to indicate the main points in which the Protocol differed from the draft Treaty of Mutual Assistance and the extent to which the objections which had been raised against the earlier draft were overcome in the new proposals.

[1] Since this was written an authoritative work on the Protocol has been published by Professor P. J. Noel Baker (*The Geneva Protocol for the Pacific Settlement of International Disputes*, London, 1925, P. S. King, 9*s*.). This book, by an expert international lawyer who had played a personal part in the principal developments of the Security and Disarmament Question from the time of the Peace Conference onwards, is of course indispensable for the serious study of the subject.

In general, it may be said that while the draft Treaty concentrated attention and effort upon the second phase in an international dispute, the Protocol transferred the emphasis to the first phase. The draft Treaty was primarily concerned to secure, to a state which had reduced its armaments, the certainty of receiving precise, immediate, and effective military assistance in the event of its being attacked by another party. The Protocol was primarily concerned to provide exhaustively for the compulsory settlement of all international disputes, so that no loophole should be left for the waging of a ' private ' war between states which would not be stigmatized and penalized as an act of aggression. In its definition of aggression (Art. 10), the Protocol made a great advance upon the draft Treaty ; and at the same time it improved upon the Covenant in providing, with great ingenuity, a machinery for determining in every case, and as often as possible automatically, which party was the aggressor—a provision which was calculated to render the penalization of aggression, as now defined, effective. The Protocol did not ignore the possibility that the second phase might still be reached in spite of the most elaborate preventive measures, and it therefore followed the Covenant in providing for material sanctions against the aggressor and for assistance to the party attacked or threatened ; but it was able to relegate such sanctions and assistance to a less important place than they had occupied in the draft Treaty because, in elaborating the procedure during the first phase, it was really introducing preliminary guarantees of security which were subjective or psychological.

To begin with (in Art. 3), it required signatories to recognize as compulsory the jurisdiction of the Permanent Court of International Justice in the cases covered by the Statute, Article 36, § 2, under the conditions under which the protocol of accession to this ' Optional Clause ' had been opened for signature on the 16th December, 1920.[1] The effect of this would be to bring all classes of so-called ' justiciable disputes ' within the Court's compulsory jurisdiction. In the case of ' non-justiciable disputes ', which could not be dealt with in this way, the Protocol required the disputants to consider and reconsider their course of action by adding four stages (Protocol, Art. 4) to the conciliation procedure laid down in the Covenant (Art. 15). To quote a distinguished British legal authority, the supplemental procedure was calculated to ' leave no decent excuse

[1] The text of this ' Optional Clause ' is reprinted in the Appendix to the present volume.

for breaking off at any stage ', while ' if [it] appears dilatory, that is just what it is intended to be. . . . One main purpose is to gain time, and the device is exceedingly well fitted for that end. If the parties, in the course of these proceedings, think better of it and come to a direct agreement (as parties constantly do in civil litigation, and not seldom at an advanced stage), that result will be all to the good '.[1] If, however, a breach were nevertheless to occur, the Protocol made it inevitable that one party (and in certain circumstances, both parties) should be stigmatized promptly as an aggressor, with all the formidable consequences (moral and material) which this definite attribution of responsibility would involve. Thus, by increasing the opportunities of making peace with an enemy on the way and at the same time making it extremely difficult to put a good face upon action deliberately intended to precipitate a decision by force, the Protocol aimed at diminishing the chances that a breach would occur at all. Consequently, in dealing with this contingency, it was able (unlike the draft Treaty) to propose sanctions which one group of states might be able to accept as providing adequate security, without their being rejected by another group as imposing excessive obligations.

In this matter of sanctions, the Protocol differed from the draft Treaty markedly, at least in appearance. In the first place, it did not commit Members of the League to any obligations beyond those to which they were already committed under the Covenant (Art. 16, §§ 1 and 2), but laid down that

> These obligations shall be interpreted as obliging each of the signatory States to co-operate loyally and effectively in support of the Covenant of the League of Nations, and in resistance to any act of aggression, in the degree which its geographical position and its particular situation as regards armaments allow.

This clause did not give the Council of the League any executive authority over the extent and the manner in which the obligations of particular States Members should be discharged in a particular case, while, by leaving it a question of honour for Members to discharge their obligations at their own discretion, it made it really more likely that their assistance to attacked or threatened states would be effective than if they had been called upon (albeit subject to a right of veto on their part) to render a precise amount of assistance

[1] Sir Frederick Pollock, *The Covenant and the Protocol* (London, 1924, League of Nations Union).

in a defined area under the direction of an international authority. It was also a great gain that the academic delimitation of obligations by continents should be replaced by a quite elastic geographical formula. The terms of the draft Treaty might conceivably have compelled the United Kingdom (as representing the British Empire) either to place its navy at the Council's disposal when the peace of any continent was disturbed, or else (a *reductio ad absurdum*) to husband its naval resources, while giving naval protection to foreign states in Europe, by leaving it to others to do the like for the remaining members of the British Commonwealth which happened to be situated in other continents. No such absurdity was involved in the Protocol, and the rumour that a member of the British delegation to the Fifth Assembly had ' placed the British Navy entirely at the disposal of the League for the execution of Article 16 of the Covenant ', which gained currency at Geneva on the 15th September and caused some perturbation in Great Britain, was formally denied by another British delegate on the 23rd.

At the same time, the effectiveness of the economic sanctions contemplated was to be insured by the preparation of general plans of action (to be drawn up by the Financial and Economic Organizations of the League) for the application of the economic and financial sanctions against an aggressor state and for economic and financial co-operation between a state attacked and the different states assisting it. Nor were those states which were nervous lest the ultimate military guarantees assured to them might be insufficient, altogether deprived of benefit from those partial military alliances which were so much valued by France, Belgium, and the ' successor states ' in Eastern Europe and so much disliked by the European ex-neutrals, the United Kingdom, and the countries overseas. Existing agreements between states for bringing their naval, military, and air forces to the assistance of a particular state which was the victim of aggression were still to stand, but only on certain conditions : they must be registered and published by the Secretariat of the League ; any other Member of the League must be free to accede to them if it wished to do so ; they must only be maintained as voluntary undertakings to the Council for insuring the fulfilment of those obligations in regard to sanctions which resulted from the Covenant and the Protocol ; and finally—most important of all—there was to be no ' automatic release ' (*déclanchement automatique*) of such prearranged military undertakings at the discretion of the parties to them. They were only to come into operation if and when

the states signatory to the Protocol had actually been called upon to apply sanctions by the Council. In presenting the Protocol to the Assembly on the 1st October, M. Beneš could fairly plead that, under these conditions, partial treaties would ' become servants of the good cause '.

Finally, the Protocol gave precision to the intentions of the draft Treaty (Art. 11) in binding the signatories to participate in an international conference for the reduction of armaments, not confined to Members of the League, which was to meet at Geneva at a fixed date (the 25th June, 1925) in the not too distant future. More than that, the Protocol itself was to be declared null and void if a plan for the reduction of armaments were not accepted at the projected conference and carried out within a fixed period.

To point out the advantages of the Protocol over the draft Treaty implies no disparagement of the statesmanship which created the earlier instrument. Some of the hands which worked most actively at both instruments were the same, and in the debate on the text of the Protocol Jonkheer Loudon (Netherlands), in his felicitous reference to Lord Cecil, expressed the consciousness (which most of his colleagues must have shared) that the evident superiority of the new instrument over its predecessor in many respects was principally due, not to better workmanship at Geneva, but to the better spirit which had arisen in Europe. The change of temper in France (the importance of which has been emphasized at the beginning of this section) had been reflected in, or accompanied by, a corresponding change in many European countries ; and the famous ' atmosphere of Geneva ' (the reality of which was attested by everybody who had actually breathed it on any occasion, including a statesman so little prone to credulity as Lord Balfour) was pronounced almost unanimously to have been stronger during the Fifth Session of the Assembly than ever before. ' I am here ', cried M. Briand, ' on behalf of the French delegation and with the full assent of my Government to say, in response to the appeal of your Committees : " France adheres to the Protocol ; France is prepared to sign it." ' But the best measure, not so much of the difference between the draft Treaty and the Protocol as of that difference in the temper of Europe which had made the new project possible, was given by the welcome which the Protocol immediately received, not only from Jonkheer Loudon, but from the representatives of other European ex-neutrals who had rejected the draft Treaty as decidedly as the United Kingdom or the overseas members of the British Common-

wealth. Jonkheer Loudon opened his speech with the following words :

> Notwithstanding my sincere admiration for him, I mounted this platform barely a year ago to oppose Dr. Beneš, the distinguished *Rapporteur*, on the draft Treaty of Mutual Assistance. I did not then attempt to conceal my view that the Treaty was unacceptable. And why ? Because it was devised solely with a view to security, while the reduction of armaments was relegated to the background and seemed to be a mere shadow. In short, the Treaty, ignoring the general guarantee contemplated in the Covenant, established a system of separate agreements which were more especially dangerous since they were to come into operation automatically and thereby constituted a serious menace to peace. My task to-day is a very different one. The well-merited reception which the Assembly has just given the *Rapporteurs* shows how highly it appreciates the work which two of your Committees have achieved under the inspiration of the great new idea which the Prime Ministers of Great Britain and France jointly submitted to you, that the reduction of armaments could be rendered feasible by general arbitration guaranteed in its turn by common action upon the part of all Members of the League.

The representatives of the Scandinavian countries were equally favourable to the new proposals.

> We recognize [declared M. Lange (Norway)] the necessity of developing the system of sanctions, in the application of which we wish to co-operate loyally and effectively, as the Protocol puts it, in the degree which our special situation allows. The Norwegian delegation will therefore vote for the resolution and for the recommendation of the Protocol.
>
> All those who took part in the previous sessions of the Assembly [declared M. Zahle (Denmark)] must surely feel that this year there is a new atmosphere abroad . . . This year we have witnessed a profound change in the European situation, a change full of hope for the future. . . . The outcome of this new spirit is the draft Protocol, the signature of which we are about to recommend to our Governments. . . . We are glad to note that there is general agreement on the principle that, as regards military sanctions of all kinds, the wide differences which exist in the geographical situation and the armaments of the various countries must in all cases be taken into account.

Even the veteran European statesman M. Branting (Sweden) spoke in the same sense, if in more cautious terms.

> The system of the Protocol is elastic and supple. It has been possible —and indeed it was necessary—to take into account the situations of various countries, as explained in the statements of the delegates during the discussions in the Sub-Committees and Committees. A great effort has been made to build up a system which will meet with the approval of all delegates, although they belong to countries which present every variety of geographical situation, traditional policy and material

resources. In a country like my own, which has been able, thanks to her geographical situation and the peaceful aspirations of her people, to hold aloof from the conflicts which for more than a century have drained the life-blood of Europe, an attempt to give more definite expression to the principle of international solidarity may alarm certain sections of public opinion when confronted with this vast plan, as happened at the time of our entry into the League. Nevertheless, I am sure that our people will realize that it is possible to strengthen the bonds of international solidarity without compromising national sovereignty.

Considering that, for more than a century past, it had been the tradition of all these countries to hold aloof as far as possible, not only from international conflicts, but from any participation in the political (as distinct from the economic and cultural) side of general international relations, and considering, further, that they had maintained this tradition by remaining neutral in the recent General War, this change of attitude on their part pointed to a profound change in Europe as a whole. One acute British observer of the Fifth Session (as well as the preceding sessions) of the League Assembly went so far as to state his personal conviction that the relations between the twenty-four sovereign and independent states (not counting Russia) which had emerged on the European Continent from the peace settlement of 1919 were passing through as rapid a transformation as that which, rather more than a century earlier, had overtaken the relations between the thirteen sovereign and independent states which had arisen on the American Continent out of the peace settlement of 1783. In 1783 the American states, demoralized socially by a long-drawn-out war and financially by the reckless inflation of paper-currencies which followed the restoration of peace, were equally unhappy in their mutual relations. The small states were set against the large states by jealousy, and every state against its neighbours by conflicting territorial claims in regions which for the most part had not yet been settled or even explored. Their only bond was a ' firm league of friendship ' which had been declared, in the articles of their covenant, to be ' perpetual ' ; but, since the doctrine of ' the equality of states ' had been built, by the jealousy of the smaller American states, into the foundations of this league's constitution, and since the organs of the American league were not granted any ' coercive power ' over the States Members, unsympathetic observers on the opposite side of the Atlantic refused at that time to believe that any good thing could come out of the American Continental Congress. Yet, by a miracle

which astonished not least those North American statesmen who were the instruments of its performance, this travesty of political co-operation developed, during half a dozen years of external chaos and latent creation into a Union so closely-knit that it afterwards survived a bitter civil war and eventually made a single community of more than a hundred million people.

The Assembly which met at Geneva in September 1924 and unanimously recommended to its principals the Protocol for the Pacific Settlement of International Disputes was not destined to fulfil for Europe the role which, in 1787, had been played by the Philadelphia Convention for North America ; and yet—to quote the language of one of the most sagacious of contemporary statesmen—' there was no doubt that Mankind was once more on the move. The very foundations had been shakened and loosened, and things were again fluid. . . . Vast changes were coming . . . which might, in their magnitude and effects, be comparable to the War itself.' [1] In the autumn of 1924 a sense of coming change seemed to be astir at least among the peoples of Continental Europe, and visitors to Geneva from Great Britain and overseas were not impervious to the impression ; but there was no corresponding movement at home among the peoples of the British Commonwealth and the other overseas countries. Engrossed, as they were, in their own problems, and long accustomed to feel themselves carried forward in the van-guard of progress by favouring winds, they were not immediately sensitive to the quickened pulsation of kindred nations in the centre of the Old World ; and in the speech delivered on the 1st October, 1924, by the Netherlands delegate, which has been quoted above, there was an allusion to a crisis just surmounted which possibly portended greater trouble to come.

> The Netherlands Delegation [declared Jonkheer Loudon] will vote in favour of this resolution, but not without a certain degree of hesitation, now that articles 10 and 11 of the Protocol, formerly articles 5 and 6, have been modified in consequence of the recent discussions.

In mentioning Article 10, the speaker referred, of course, to the Japanese amendment to the draft of the Protocol in regard to matters in dispute which might be pronounced, at some stage of the procedure for compulsory settlement, to fall exclusively within the domestic jurisdiction of one of the states concerned. This Japanese amendment, which was suddenly brought up on the 26th September by Mr. Adatci in the First Committee, threatened for a day or two to

[1] General Smuts (16th December, 1918).

wreck the Fifth Assembly's work, and the danger was only removed when the Japanese delegation had been persuaded, as an alternative, to accept the modifications alluded to by the Netherlands delegate in the passage just quoted.

Here, again, it would be beyond the scope of this survey to enter into anything like a juridical analysis ; but it may be noted that the modifications introduced to meet the wishes of the Japanese would not (if the Protocol were adopted) infringe the principle of the sovereignty of states, and would not (to quote M. Politis) ' confer new powers on either the Council or the Assembly ' of the League, but would allow ' both these organs of the League simply [to] retain the powers now conferred upon them by the Covenant ' and ' leave unimpaired the right of the Council ' (under Article 11 of the Covenant) ' to take such action as it may deem wise and effectual to safeguard the peace of nations '. This interpretation had been anticipated, during the discussions in the First Committee, by Sir Cecil Hurst, who was not only one of the British delegates to the Assembly, but was the foremost legal authority on the subject in Great Britain.

> It is the understanding of the British delegation, in accepting this amendment, that the text now adopted, which it is proposed to add to Article 5, safeguards the right of the Council to take such action as it may deem wise and effectual to safeguard the peace of nations in accordance with the existing provisions of Article 11 of the Covenant. We accept it because we believe that it does not confer new powers or functions on either the Council or the Assembly. Those powers are already defined in the Covenant as it exists to-day, and we do not add to them by this text.[1]

Article 5 of the Protocol laid down that paragraph 8 of Article 15 of the Covenant, which provided that the Council should cease to deal with a dispute if and when it found that the matter in dispute was by international law solely within the domestic jurisdiction of one of the parties, should apply to all the additional procedure of arbitration and conciliation which the Protocol mapped out, and this was left as it stood ; but the following paragraph was now added :

> If the question is held by the Court or by the Council to be a matter solely within the domestic jurisdiction of the State, this decision shall not prevent consideration of the situation by the Council or by the Assembly under Article 11 of the Covenant.

[1] Quoted from the official report of the thirteenth meeting of the First Committee, held on the 30th September, 1924 (League of Nations Document, C. 708, 1924, ix (C. C. O. 1)).

This additional provision, while it guarded against the dangers inherent in an abrupt termination of the proceedings, at the same time deprived those proceedings of their compulsory character, since, as M. Politis reminded the Assembly in his report,

> Action taken by the Council or the Assembly [under Article 11 of the Covenant] cannot become binding on the parties to the dispute in the sense in which the recommendations under Article 15 become binding, unless they have themselves concurred in it.

The real purpose of the paragraph added to Article 5 of the Protocol becomes apparent in the corresponding addition to Article 10 —an addition which provided that, in the event of hostilities having broken out because one party had disregarded a judgement recognizing that the dispute between it and the other belligerent state arose out of a matter within the latter's exclusive domestic jurisdiction, the recalcitrant state

> shall only be presumed to be an aggressor if it has not previously submitted the question to the Council or the Assembly, in accordance with Article 11 of the Covenant.

The exact bearing of this additional clause was thus expounded by M. Politis :

> After very careful consideration it appeared that it would be unreasonable and unjust to regard as *ipso facto* an aggressor a State which, being prevented through the operation of paragraph 8 of Article 15 from urging its claims by pacific methods and being thus left to its own resources, is in despair driven to war.
>
> It was considered to be more in harmony with the requirements of justice and peace to give such a State which has been non-suited on the preliminary question of the domestic jurisdiction of its adversary, a last chance of arriving at an amicable agreement by offering it the final method of conciliation prescribed in Article 11 of the Covenant. It is only if, after rejecting this method, it has recourse to war that it will be presumed to be an aggressor.
>
> This mitigation of the rigid character of paragraph 8 of Article 15 has been accepted, not only because it is just, but also because it opens no breach in the barrier set up by the Protocol against aggressive war : it in no way infringes the principle—which remains unshaken—that a war undertaken against a State whose exclusive jurisdiction has been formally recognized is an international crime to be avenged collectively by the signatories of the Protocol.
>
> When a State whose demands have been met with the plea of the domestic jurisdiction of its adversary has employed the resource provided for in Article 11 of the Covenant, the presumption of aggression falls to the ground. The aggression itself remains. It will be for the Council to decide who is responsible for the aggression in accordance with the procedure which will be described below.

It will be seen that the general effect of the modifications introduced into Articles 5 and 10 of the Protocol in deference to the Japanese was to give any state non-suited in the circumstances which the Japanese delegation apprehended, the benefit of an additional stage of procedure before reaching the point at which the choice must be made between foregoing redress through ' private war ' or being stigmatized and penalized as an ' aggressor '.

In raising this question of domestic jurisdiction the Japanese delegation appear to have had two concrete cases in mind : first, the domestic jurisdiction of China over a number of matters (such as leased territories, railways, and concessions) in which Japan claimed to possess rights in virtue of existing international agreements ; and, secondly, the domestic jurisdiction of the underpopulated countries bordering on the Pacific over the regulation of immigration. It remained to be seen how far the modifications of the Protocol would safeguard the position of the Japanese Government in dealing with these delicate questions ; but it was significant that the state which was most sensitive to the possible injustice involved in being stigmatized automatically as an ' aggressor ' for coming to blows over some controversy where the matter in dispute had been pronounced to fall within the other party's exclusive domestic jurisdiction, should be situated, not in Europe, but in the Far Eastern and Pacific area.

In Continental Europe after the War, where so many populations and territories had been transferred from one sovereignty to another and so many economic thoroughfares had been intersected by political frontiers, matters technically within the domestic jurisdiction of one state were constantly giving rise to controversies between that state and its neighbours. A large part of the present volume, and a still larger part of the preceding volume, is filled with the history of conflicts of this kind ; and therefore a chorus of protests might have been expected from the defeated or otherwise discomfited states of Europe against a text which might establish against them a damaging presumption, fraught with the most serious practical consequences, if they became involved in an armed conflict over matters which might be technically within their neighbours' jurisdiction, but with which, in their own view, they were equitably, and perhaps vitally, concerned. If Japan feared that the original provisions of the Protocol in regard to ' exclusive domestic jurisdiction ' might place her in an unfair position in any controversy over those restrictions upon immigration which were being exercised at

the time by certain other countries in the Pacific area, the defeated countries of Continental Europe had more positive reason to fear that the Protocol might rule out any alteration of the frontiers laid down in the peace settlement after the War of 1914. In the actual text of the Protocol, neither immigration nor frontiers nor any other specific matter which might be judged to fall within domestic jurisdiction had been mentioned ; but, in regard to frontiers at least, the intention of the First Committee of the League Assembly was made explicit in the following passage of the analysis of this part of the scheme by M. Politis, the *rapporteur* :

> There is a third class of disputes to which the new system of pacific settlement can also not be applied. These are disputes which aim at revising treaties and international acts in force, or which seek to jeopardize the existing territorial integrity of signatory States. The proposal was made to include these exceptions in the Protocol, but the two Committees were unanimous in considering that, both from the legal and from the political point of view, the impossibility of applying compulsory arbitration to such cases was so obvious that it was quite superfluous to make them the subject of a special provision. It was thought sufficient to mention them in this report.

Thus the representatives of the defeated and discomfited countries had fair warning that the Protocol would commit its signatories to the stabilization of the existing frontiers. Why, then, did the protest come from Japan, and not, for example, from Austria, Hungary, Bulgaria, or Lithuania ?

It might be answered that Austria and Bulgaria had already resigned themselves to their fate and abandoned all hope of revising the new (and to their minds unjust) frontiers. This, however, could hardly be said of Hungary or Lithuania, or again of Germany, with her lost provinces of Alsace-Lorraine, Posen, West Prussia, and Upper Silesia, and her unredeemed minorities in half a dozen ' successor states ' of the Hapsburg and Romanov Empires ; and the German nation, though not represented at Geneva, could have launched a campaign of protest in the press or through other channels against this aspect of the Protocol, if they had been so inclined. It is remarkable that, while the Protocol was afterwards criticized as calculated to ' stereotype the existing territorial status ', the critics were mostly Englishmen and not members of those Continental nations upon whom the existing status bore most hardly ; and since it is unquestionable that those nations at this time resented the existing status, and resented it strongly, their omission to protest against the Protocol on this ground can hardly be explained except

by supposing that the grave disadvantages which it entailed for them were outweighed by benefits which were of greater importance from their point of view. It cannot be held that the grievances of the defeated nations had been removed, however much they may have been mitigated, by the Treaties for the Protection of Minorities, the Statutes of International Rivers, or the other organized attempts to overcome the drawbacks to the new frontiers. These remedial measures, though their cumulative effect was no doubt considerable, were palliatives, not cures, and were also slow in their operation. Undoubtedly, therefore, there was some strong, common, overriding motive which commended the Protocol to the peoples of Continental Europe as a whole, irrespective of frontiers or of the outcome of the recent struggle which the new frontiers embodied, and it is perhaps possible to discern what this common motive was.

A majority of the Continental European peoples had recently passed through one harrowing experience which the other belligerents in the General War had been spared. That War had been fought almost entirely on Continental European soil. The campaigns in the Middle East, in Tropical Africa, and in the Far East had been insignificant, by comparison, both in the scale of operations and the amount of suffering and damage caused, and on the American Continent there had been no campaign at all—whereas Continental European populations had been the victims of invasions more destructive than any previously recorded. Moreover, the European countries which had suffered most severely in this respect happened to be identical with the countries which, in the peace settlement, had gained most in territory and in the other traditional rewards of victory ; while, conversely, the countries whose armies had stood on enemy soil throughout the War, and which had kept their own soil free from invasion, had gone down in the end in a disastrous defeat, had seen their territories mutilated or even cut into pieces, and had been forced, from the moment of the Armistice, to submit to a foreign military occupation—an occupation which, in the case of the Rhineland, was likely to last several times as long as the German occupation of French and Belgian territory during the War itself. For these various reasons the peoples, and under their impulsion the Governments, of the Continental European states (irrespective of whether they belonged to the category of victors, vanquished, or neutrals, as far as the recent War was concerned) appear to have become inwardly convinced, by the autumn of 1924, that in one way or another war in Europe was likely for the future to bring a heavy

balance of national loss to any nation which engaged in it, whatever might be the purely military outcome.

A striking illustration of this Continental European attitude is contained in the following declaration by Count Apponyi, the principal delegate of Hungary at the Fifth Assembly; for Count Apponyi had not only played the personal role of a militant nationalist in his previous career, but he represented a people among whom the spirit of nationalism was exceptionally strong and who had shown perhaps more recalcitrance against the peace settlement, particularly on its territorial side, than any other of the defeated European nations.

> The objection which might be raised from our point of view, that it stabilizes an international political state of things which we ourselves have no interest to maintain, cannot be regarded as well founded. The Protocol contains guarantees for the rule of law as against the rule of force. It is true that these guarantees benefit in the first place the established state of things, but they have no exclusive relation to that state of things, but rather to the rule of law as opposed to the principle of force. That a state of things which we dislike will also derive benefit, as long as it exists, from those guarantees is an accident which cannot be altered. The remedy lies in the change of that political situation itself, and the circumstances for such a change will certainly not be worse if abusive power is being checked.[1]

British and overseas participants in the Fifth Session of the League Assembly observed that all these Continental peoples—ex-victors, ex-vanquished, and ex-neutrals alike—were almost equally afraid of a future in which war remained a possibility. The ex-victors feared an eventual ' war of revenge ' on the part of their recent adversaries, before they themselves had consolidated their position by assimilating the acquisitions which they had just made at their adversaries' expense. The ex-vanquished, unilaterally disarmed as they were, feared that their late conquerors might give them the *coup de grâce* by making a ' preventive war ' before they had time to recover. The ex-neutrals feared that, in any future war, even if they once again succeeded in maintaining a precarious neutrality as regarded participation in the actual military operations, they would suffer economically no less severely than the belligerents. Thus most, if not all, the Continental European Governments and peoples foresaw no possible gains, and the gravest possible losses, for themselves if loopholes were left open for future ' private wars ',

[1] Quoted, from an article by Count Apponyi in the *Pester Lloyd* of the 30th November, 1924, by Mr. D. Mitrany in a letter published in *The Manchester Guardian*, 8th January, 1925.

and to their hearts and minds M. Herriot's programme of 'Arbitration, Security, and Disarmament' therefore appealed with magic force.

Even more remarkable was the spirit in which they welcomed the text of the Protocol, for the Protocol, after all, was a very formidable document, in which the attractive simplicity of M. Herriot's gospel had been elaborated by international lawyers into an instrument as complicated, as comprehensive, and as inexorable to the transgressor as the Athanasian Creed. In the presence of such a text as this, the traditional diplomacy of Continental Europe would have surpassed itself in displaying its special qualities of reserve and scepticism. The spontaneous and immediate decision of the Continental delegates to recommend the Protocol to their Governments could only have been taken in that psychological condition which had been induced among the peoples of Continental Europe by their intense intellectual and emotional experiences during the recent War. The War of 1914, however, though general in its range, had fallen with a very different incidence upon the several divisions of Mankind. The experience which the Continental Europeans had suffered to the full had been suffered to a lesser degree by the people of the United Kingdom, and to lesser degrees again by the peoples of the British Dominions, the United States, and Latin America. The people of the United States had been affected so little that they had rejected the Covenant, while the Canadians had found a stumbling block in Article 10. How would the Protocol be received in the overseas countries below the rank of Great Power, and how would it be received in the United Kingdom?

From the speeches delivered in the Assembly, during the debate on the reports of the First and Third Committees, by the representatives of three Latin American countries—Brazil, Uruguay, and Chile—it appeared probable that this group of overseas states, like the ex-neutrals on the Continent of Europe, would give to the Protocol a more favourable reception than they had given to the draft Treaty of Mutual Assistance.

> Brazil [declared Señor Mello Franco] will vote for the conclusions proposed by the First and Third Committees.
>
> The country which I have the honour to represent [declared Señor Guani, the delegate of Uruguay] will, I am convinced, accept with the greatest satisfaction the Protocol of Peace which we have elaborated, and my Government will hasten to give it its full approval and will aspire to the honour of being one of the first to sign it.

> I wish to declare [said Señor Villegas, the delegate of Chile] that the Chilian delegation will enthusiastically adhere to the draft resolution.

The Protocol appealed to the Latin American mind for two reasons : in the first place, these Latin American states were themselves continental countries with long and exposed frontiers, numerous and extensive disputed territories, and the memory, if not the immediate danger, of competition in armaments and of destructive wars. In the second place, they had already carried the principle of arbitration further than any other group of countries in regulating their relations among themselves and with the United States, and they had produced a flourishing school of international lawyers, several distinguished members of which had just taken part in the First and Third Committees' work. These facts would evidently incline Latin American opinion to go a long way towards meeting the Continental European point of view.

There was, however, a distinct note of reserve in the pronouncements of the British and Canadian delegates, the only representatives of the British Commonwealth who took part in the final debate.

> Prepared to accept sanctions against herself, in what measure can Canada pledge herself to impose them upon others ? . . . May I be permitted to add that, in this association of mutual insurance against fire, the risks assumed by the different states are not equal ? We live in a fire-proof house, far from inflammable materials. A vast ocean separates us from Europe.

These passages, which formed part of the not unsympathetic speech in which the Canadian delegate, Mr. Dandurand, agreed to follow the example of his colleagues in the Assembly by laying the Protocol before his Government, seemed to indicate that the Canadian Government would be unlikely to take the European point of view. Mr. Arthur Henderson, again, in the address in which he supported the resolutions as the delegate of the British Empire, spoke of the Protocol in a tone of hesitation and apology, if not of criticism, which must have seemed strange to his Continental colleagues. Was it not the British Prime Minister who had laid the foundations of the Protocol in co-operation with M. Herriot ? Did the British delegation, when it examined the finished product, feel doubtful of its ability to carry the instrument through the British Parliament and to commend it to British public opinion ?

No doubt these questions were already engaging the mind of the British Government itself, for the problem of security and disarmament had now entered on a phase in which Great Britain would

be placed in an extraordinarily difficult position. Supposing that, on the momentous questions involved in the Protocol, the peoples of the British Dominions and the peoples of Continental Europe were to take radically different points of view, would it be possible for British statesmanship to discover a compromise acceptable to both parties ? And if that did not prove possible, where would the United Kingdom stand ? Continental Europe, on the one side, and the English-speaking peoples overseas, on the other, formed two distinct worlds, each of which was in a position to work out the problem of security and disarmament in its own way, as best might suit its own special conditions ; but if these ways parted, which road was Great Britain to follow ? Great Britain alone was an integral member of both worlds, and she alone would be unable, without grave inconvenience or even danger to herself, to remain outside any system of organized peace which either of these separate worlds might succeed in building up within its own circle. The measures taken by the British Government to cope with this problem will be recorded in the *Survey of International Affairs for 1925.*

(vi) Bilateral Conciliation and Arbitration Agreements signed in 1924.

In the previous sections of this Part it has been recorded how the problem of Security and Disarmament was taken in hand by the Principal Allied and Associated Powers during the peace settlement after the War of 1914 ; and how, out of the double root of the negotiations for an Anglo-French Pact and the clauses envisaging the limitation of armaments which had been included in the Covenant of the League, there grew first the draft Treaty of Mutual Assistance and then the Geneva Protocol. At the close of the year 1924, the fate of the Protocol had not yet been decided by the States Members of the League, to whose Governments the document had been referred by their respective representatives at the Fifth Assembly, and it was, therefore, still doubtful what permanent results would be secured in this attempt to solve the problem on a field so broad that it included, not only all Europe, but countries situated in every region of the world. Naturally, these great transactions almost monopolized public attention at the time ; yet this survey would be incomplete if it passed over those less ambitious and less obtrusive, but within narrower limits effective, steps towards a solution of the problem which were taken by certain minor states during the year

1924.[1] In this year, while the draft Treaty and the Protocol were the subject of active but not yet conclusive international discussion,

[1] For completeness' sake, it would have been desirable to give some account in this section of all the bilateral arbitration treaties concluded since the termination of the War of 1914. Lack of space, however, has made it necessary to confine the survey in this section to the single year 1924. The following (not exhaustive) list of similar treaties signed during the previous years may serve as a guide to readers who wish to pursue the subject further.

Signatories.	*Date.*	*Nature of Treaty.*
Bolivia—Colombia	13 Nov., 1918	Arbitration treaty.
Great Britain—Brazil	4 April, 1919	Treaty for establishment of a Peace Commission.
Bolivia—Venezuela	12 April, 1919	Arbitration treaty.
Esthonia—Latvia	22 March, 1920	Arbitration treaty.
Chile—Sweden	26 March, 1920	Treaty for establishment of an Inquiry and Conciliation Commission.
Great Britain—Netherlands	1 July, 1920	Agreement renewing for five years arbitration treaty of 15 Feb., 1905.
United States of America—Portugal	14 Sept., 1920	Agreement renewing arbitration treaty of 6 April, 1908.
Latvia—Lithuania	28 Sept., 1920	Arbitration treaty.
United States of America—Peru	21 May, 1921	Protocol regarding arbitration of the Landreau claim against Peru.
Ecuador—Venezuela	24 May, 1921	Arbitration treaty.
United States of America—Norway	30 June, 1921	Convention for arbitration regarding claim of Norwegian shipowners against United States Government.
Switzerland—Germany	3 Dec., 1921	Arbitration and conciliation treaty.
Great Britain—Costa Rica	12 Jan., 1922	Arbitration treaty.
Spain—Uruguay	23 March, 1922	Arbitration treaty.
Great Britain—Denmark and Iceland	1 May, 1922	Agreement renewing for five years arbitration treaty of 25 Oct., 1905
Chile—Peru	20 July, 1922	Protocol regarding arbitration in Tacna-Arica dispute.
Sweden—Uruguay	24 Feb., 1923	Arbitration treaty.
Uruguay—Venezuela	28 Feb., 1923	Arbitration treaty.
Peru—Venezuela	14 March, 1923	Arbitration treaty.
Austria—Hungary	10 April, 1923	Arbitration treaty.
Great Britain—United States of America	23 June, 1923	Agreement renewing for five years arbitration treaty of 4 April, 1908
United States of America—France	19 July, 1923	Agreement renewing for five years arbitration treaty of 10 Feb., 1908.
Great Britain—Italy	14 Aug., 1923	Agreement renewing for five years arbitration treaty of 1 Feb., 1904.
United States of America—Japan	23 Aug., 1923	Agreement renewing arbitration treaty of 5 May, 1908.
Great Britain—France	29 Aug., 1923	Agreement renewing for five years arbitration treaty of 14 Oct., 1903.
United States of America—Norway	26 Nov., 1923	Agreement renewing arbitration treaty of 4 April, 1908.

Switzerland signed eight bilateral conciliation or arbitration treaties after negotiations which, in every case, had been started on the initiative of the Swiss Government ; and while it remained uncertain whether the work of the Fifth Assembly of the League would be crowned by a world conference for the reduction and limitation of armaments in 1925, the Danish Government set an example to others by introducing a Bill for the voluntary and unilateral liquidation of the Danish army and navy. It was not an accident that the two minor states which took these important initiatives both belonged to the group of European ex-neutrals ; for the members of this group held a moral position which bore no proportion to their material power. The self-disarmament of Denmark is dealt with in the section that follows. The present section is concerned with the bilateral arbitration agreements signed in 1924, to eight of which, Switzerland, as has just been mentioned, was one of the parties.[1]

Before the War of 1914, Switzerland had been in the forefront of that movement for building up an international network of bilateral arbitration treaties which had grown out of the two Hague Conferences of 1899 and 1907 ; but these pre-war treaties had not gone very far. Nearly all of them had expressly excepted from the scope of arbitration questions affecting ' the honour, independence, and vital interests of the contracting parties ' and even then they had made resort to arbitration dependent, in each particular case that might arise, upon the previous negotiation of a *compromis* or agreed set of pleadings—an agreement which might often prove just as difficult as a direct settlement of the issue. After the War, the Covenant of the League and the Statute of the Permanent Court of International Justice [2] had introduced several new principles of great importance—for example, the establishment of conciliation as a procedure to be employed in conjunction with arbitration ; the resort to conciliation or arbitration at the request of one party to a dispute without the necessity for a *compromis*, and (in the ' Optional Clause ' of the Statute) the principle of *a priori* compulsory jurisdic-

[1] For the texts of five of these treaties (namely, those with Hungary, Sweden, Denmark, Brazil, and Italy), together with the written messages in which the Federal Council presented them for the approval of the Federal Assembly, see the Swiss *Feuille Fédérale*, 1924, vol. iii, No. 45, Berne, 5th November, 1924 ; and for the texts of the three others (namely, those with Austria, Argentina, and Japan respectively) the same official publication, 1924, vol. iii, No. 46, 12th November, 1924 ; 1925, vol. i, No. 6, 11th February, 1925 ; 1925, vol. ii, No. 15, 15th April, 1925.

[2] For the making of the Covenant and the Statute see the *History of the Peace Conference of Paris*, vol. vi, Ch. VI.

tion, not dependent upon the express consent of the parties, or one of them, in each case. Switzerland joined the League as an original Member, and she was one of the twenty-one states (not counting Brazil) [1] which had signed the 'Optional Clause' of the Statute of the Permanent Court before the close of the year 1924; but, as early as the 11th December, 1919, the Swiss Federal Council had taken an initiative of its own. In a report [2] which it presented on that date to the Swiss Assembly,

> it announced its intention to attempt to conclude with foreign countries arbitration treaties conceived on lines more modern [than the pre-war treaties] and more in harmony with the new fact of the existence of the League of Nations. Furthermore, as soon as circumstances permitted, it made overtures in this sense to a whole series of states which had not recognized the compulsory jurisdiction of the Permanent Court of International Justice (either because they did not wish to try an experiment which seemed to them to compromise the future too greatly, or else because, having remained outside the League of Nations, they had not had to take up a position with regard to the principle of compulsory arbitration in the terms in which it is presented by Article 36 of the International Court of Justice).[3]

In putting this programme into action, the Swiss Government had the principles of the League of Nations before its eyes.

> It is well known what a preponderant role has been reserved for arbitral or judicial settlement and for conciliation in the Covenant of the League of Nations, which has made these two principles into elements in the juridical equipment of the civilized world. It now remains to develop them gradually in the direction of an increase in the obligations imposed upon the state. The interests of peace demand this. To work for the development of arbitration within the community of nations, to work for bringing the relations between states more and more under the aegis of the spiritual force of law, is not by any means the pursuit of a chimera, as some imagine it to be, but is, on the contrary, an eminently practical activity. In participating to the utmost possible extent in the movement in favour of arbitration, in attempting to accomplish, in this domain, whatever is capable of being accomplished to-day, Switzerland—a small country whose principal strength lies in the goodness of her case—is serving her own interests as well as those of the community of states. Thus she cannot hesitate to tread the path which opens before her. Her past, her traditions, and her mission in the world forbid her.[4]

[1] Brazil had made her adhesion to the 'Optional Clause' (adhesion to which meant acceptance of the compulsory jurisdiction of the Court in four classes of dispute which were susceptible of a juridical decision) conditional upon the adhesion of two states permanently represented on the Council of the League.

[2] See *Feuille Fédérale*, 1919, vol. v, p. 809.

[3] *Résumé* in the message of the Federal Council dated the 28th October, 1924, covering the Swiss-Hungarian Conciliation and Arbitration Treaty of the 18th June, 1924 (*Feuille Fédérale*, 1924, vol. iii. No. 45).

[4] Message from the Swiss Federal Council quoted above.

The Swiss Government's first step in the pursuit of this policy had been the issue of instructions, in June 1921, to all Swiss diplomatic missions abroad to make overtures on the subject to the Governments to which they were accredited; and their first practical achievement had been the signature, on the 3rd December, 1921, of an arbitration treaty, on the new lines, between Switzerland and Germany. A favourable opportunity for opening similar negotiations with France could hardly present itself until the two countries had settled their controversy over the Savoy Free Zones;[1] but the frontier incident which disturbed the amicable relations between Switzerland and Italy during the earlier months of 1924[2] did not prevent the signature, on the 20th September, 1924, of a Swiss-Italian treaty for conciliation and judicial settlement. This treaty was remarkable, not only because it was negotiated immediately after a period of tension between the two countries, but for several other reasons. It was a treaty between neighbours between whom war was a physical possibility;[3] one of the two parties was a Great Power and the other a state of lesser calibre; the signature took place at a moment when the First and Third Committees of the Fifth Assembly of the League were completing the draft of the Geneva Protocol; and some of the most important features of the Protocol were here anticipated. Not content with having negotiated arbitration treaties with Italy and Germany—that is with two out of those three of her neighbours which still remained Great Powers—Switzerland signed, on the 18th June, 1924, a conciliation and arbitration treaty with Hungary—one of the two former constituents of the Dual Monarchy which had been Switzerland's fourth neighbour until it had broken up in 1918. Besides this, a Swiss-Swedish and a Swiss-Danish conciliation treaty were signed respectively on the 2nd and the 6th June, 1924; a Swiss-Brazilian treaty for judicial settlement on the 23rd June; a Swiss-Austrian conciliation treaty on the 11th October; a Swiss-Argentinian arbitration treaty on the 17th November; and a Swiss-Japanese treaty for judicial settlement on the 26th December.

It is worth noting the main variations by which these several instruments were distinguished from one another. The Swiss

[1] For the history of this controversy and an account of the Franco-Swiss conciliation and arbitration treaty of the 6th April, 1925, see the *Survey for 1925*.

[2] See II. B (ii) below.

[3] Whereas there was no possibility of military operations between Switzerland and Hungary or any of the Scandinavian or Latin American countries.

Government had a definite programme of its own. It wished to make every dispute which might arise between the two contracting parties amenable to some kind of organized settlement, without the traditional exception of questions concerning 'honour, independence, and vital interests'; it wished to place conciliation in the forefront, and only to bring arbitration into play if and when conciliation had failed; and it wished to make application by one of the parties sufficient to set the conciliation and arbitration machinery in motion, instead of making this depend in each case upon the preliminary establishment of a special *compromis*. At the same time, Swiss statesmanship was not rigid or doctrinaire, and the success which crowned its diplomacy was largely due, no doubt, to the elasticity with which it adapted itself to the prepossessions of other parties without sacrificing the essential principles of its own policy.

In the Swiss-German treaty, for example, the Swiss Government waived the order of procedure which it preferred and agreed to an arrangement by which arbitration would be attempted in the first instance and conciliation only brought into play if arbitration proved inapplicable. This was done in order to meet the wishes of the German Government (which on this point anticipated the views of the European statesmen who drafted the Geneva Protocol).[1]

In the Swiss-Hungarian treaty, the Swiss Government secured that 'disputes of whatever nature' should be submitted 'to a procedure of conciliation or, the case arising, to a procedure of arbitration' (Art. 1), and that the conciliator should be 'seised of the dispute upon the filing of an application by one of the parties' (Art. 4). On the other hand, it accepted that 'the conciliation should be entrusted to a single commissioner appointed, in each particular case, by a common agreement between the contracting parties' (Art. 3), although its own preference appears to have been for the establishment of a standing conciliation commission. If one of the parties failed to accept the conciliator's proposals within three months, the other party might then insist on recourse to arbitration (Art. 10), on condition that the dispute were pronounced by the arbitral tribunal to fall within one of the four categories of justiciable disputes which had been specified in the 'Optional Clause' of

[1] See section (v) above. It may be added that not only the Protocol but the Covenant gave priority to arbitration or judicial settlement (Article 13) over conciliation (Article 15)—but with this important qualification, that the emergency conciliation provided under Article 11 was made prior to both.

the Statute of the Permanent Court. Here again, the Swiss Government consented that the arbitral tribunal should be ' constituted, in each particular case, by a common agreement between the contracting parties ' (Art. 11), and further that, ' in each particular case ', the parties should establish ' a special *compromis*, determining precisely the subject of the dispute and the particular composition and competence of the tribunal ' (Art. 13). They contented themselves with the provision that, if the tribunal were not constituted within six months, either party might bring the dispute before the Permanent Court of International Justice by the mere filing of an application (Art. 11).

The Swiss-Brazilian treaty provided for the submission to the Permanent Court of disputes ' which had proved incapable of being settled by diplomacy or any other method of conciliation ' ; and, here again, the Swiss Government not only agreed that a special *compromis* should be negotiated in each case (Art. 3), with the same safeguard as that provided in the Swiss-Hungarian treaty, but consented, at the particular desire of the Brazilian Government, that ' questions affecting the constitutional principles of one or other of the contracting parties ' (Art. 1), as well as questions which had already been the object of definitive agreements (Art. 2), should be excluded from the scope of the treaty.

The Swiss-Argentine treaty was of a more old-fashioned type, since the Argentine Government had rejected a Swiss draft conceived on those new principles on which the Swiss Government was negotiating treaties for conciliation and judicial settlement with other countries, and had then proposed a formula of its own which the Swiss Government had accepted with minor modifications. The treaty thus evolved made no provision for a conciliation procedure, but simply laid down that ' disputes of whatever nature which had proved incapable of being settled by diplomacy ' should be referred under a special *compromis* in every case (Art. 3) not to the Permanent Court of International Justice, but to an arbitral tribunal of five members chosen from among the members of the Permanent Court of Arbitration at The Hague (Art. 2), which was to proceed (save for express dispositions to the contrary in the present treaty) in accordance with the rules prescribed in the Hague Convention of the 18th October, 1907 (Art. 6). As in the Swiss-Brazilian treaty, either party was to be free to decline arbitration in any dispute which, in that party's opinion, involved questions affecting the principles of its constitution (Art. 1).

Almost equally old-fashioned was the Swiss-Japanese treaty, which left either party free to decline arbitration in any dispute which, in that party's opinion, 'involved its vital interests, its independence or its honour, or which affected the interests of third Powers' (Art. 1). At the same time, this 'classic reservation' (as it was called by the Swiss Federal Council) was balanced by certain concessions on the Japanese side. 'Other methods of conciliation' as well as diplomacy, were contemplated (Art. 1) before the submission of a dispute to judicial settlement was to take place; and the Permanent Court of International Justice was to be the tribunal before which all 'disputes susceptible of judicial settlement in the sense of the present treaty' were to be brought (Art. 2). The Japanese Government insisted, however, that the competence of the Court and the object of the dispute should be defined in a special *compromis* in every case (Art. 3).

In the Swiss-Italian treaty, the contracting parties agreed 'to submit to a conciliation procedure disputes, of whatever nature, which had proved incapable of solution by diplomacy within a reasonable period' and further 'to seek a judicial settlement in case the conciliation procedure reached an *impasse*' (Art. 1). There was to be established a permanent conciliation commission of five members (Art. 3) taking its decisions (except as expressly provided otherwise) by a majority vote (Art. 10), and this commission was to be seised of a dispute by the filing of an application with its president on the part of one of the contracting parties (Art. 5). If one party failed to accept the commission's proposals within the period fixed by the commission (which was in no case to exceed three months) either party was to have the right to demand that the dispute should be submitted to the Permanent Court of International Justice; and 'in the event of the dispute being not of a juridical order in the opinion of the Court the parties agree that it shall be settled *ex aequo et bono*' (Art. 15). This provision that the Permanent Court should exercise a compulsory jurisdiction in equity as well as in law went beyond anything that had been inserted in any previous arbitration treaty, and its value was not diminished by the insistence upon a special *compromis* in each case, considering the further provision that, if this *compromis* had not been established by agreement within three months, the case might be brought before the Court upon the mere filing of an application by one of the parties (Art. 16).

The Swiss-Swedish and the Swiss-Danish treaties (of which the texts, *mutatis mutandis*, were almost identical) necessarily differed

from the others inasmuch as all the three parties concerned had already signed the ' Optional Clause ' in the Statute of the Permanent Court of International Justice, recognizing the compulsory jurisdiction of the Court in four categories of justiciable disputes. Feeling, however, that, from the psychological point of view, the voluntary settlement of a dispute by conciliation was always preferable to a compulsory settlement at law, the parties not only agreed in these two treaties ' to submit to a permanent conciliation commission all disputes which had proved incapable of settlement by diplomacy and which would not be justiciable within the meaning of Article 36. Paragraph 2, of the Statute of the Permanent Court ', but reserved the liberty to submit in the first instance, to the conciliation procedure, by common agreement, even disputes of a justiciable character. The permanent conciliation commission of five members established under each of these treaties was to have substantially the same procedure and powers as those afterwards provided in the Swiss-Italian treaty described above. The Swiss-Austrian treaty was conceived on the same lines (the ' Optional Clause ' in the Statute of the Permanent Court having already been signed by Austria likewise). The only substantial variation was that the permanent conciliation commission was to consist of three members instead of five—a modification which the Austrian Government had proposed on grounds of economy and which the Swiss Federal Council had accepted though it regarded the larger number as preferable.

These conciliation and arbitration treaties to which Switzerland was a party were, with one exception,[1] to run in the first instance for ten years from the date of ratification in each case.

On the 24th June, arbitration treaties were signed by Sweden and Denmark respectively with the United States : while on the 27th June agreements for the submission of disputes to a permanent conciliation board (on the same lines as the Swiss-Swedish and Swiss-Danish treaties) were signed by Finland and Norway respectively with Sweden, by Finland and Norway with one another,[2] and by Denmark with Finland, Norway and Sweden.

[1] The exception was the Swiss-Japanese treaty, which was concluded for five years only in the first instance (though it was to run on automatically thereafter unless explicitly denounced). This shorter term was suggested by the Japanese Government ' in the expectation that the idea of a settlement of international disputes will make marked and rapid progress '.

[2] For the text of the Swedish-Norwegian treaty see *League of Nations Treaty Series*, vol. xxviii, and for those of the Swedish-Finnish and Finnish-Norwegian treaties, the same publication, vol. xxix. For the circumstances leading to the signature of these three treaties see II. B (x) below.

On the 29th August an arbitration treaty was signed by Germany and Sweden which provided for the establishment of an arbitration tribunal for the settlement of juridical disputes ; but if Germany adhered to the Hague Conventions, or if her entry into the League of Nations were contemplated (*envisagé*), the arbitration tribunal was to be replaced by the Permanent Court of Arbitration at The Hague.

It may also be noted that, on the 9th February, 1924, the existing Anglo-Spanish arbitration treaty of the 27th February, 1904, was renewed for five years ; that on the 13th February, 1924, the existing arbitration treaty between the United States and the Netherlands was renewed for five years to run from the following 25th March ; and that on the 16th February, 1924, the existing Franco-Spanish arbitration treaty was likewise renewed for five years.

In a final protocol of even date, attached to the Swiss-Hungarian treaty of the 18th June, 1924, it was stipulated that, while in general the effect of the treaty should be retrospective, ' it should not be applicable, without express agreement to the contrary, to disputes directly connected with the events of the world war.' In contrast to this, the Greek and Bulgarian Governments signed a special arbitration agreement on the 18th March, 1924, for submitting to the Permanent Court of International Justice, sitting as a Chamber of Summary Procedure, a dispute which had arisen between the two countries regarding the interpretation of the Peace Treaty of Neuilly. The Court took cognizance of the case during its Fifth Session, which opened on the 16th June, 1924 ; and it delivered judgement for Greece and against Bulgaria on the 12th September.

(vii) The Danish Disarmament Bill.

The situation of Denmark at this time was peculiar. Her territories, like those of Turkey, commanded the narrow waterways giving access to an otherwise land-locked sea which had been, and would undoubtedly continue to be, of the highest international importance from both the commercial and the naval point of view. Her capital was actually planted on the shore of one of the straits. Yet, whereas Constantinople—built on a peninsula facing a peninsula, and looking out on to a basin narrowing at each end into a bottle-neck through which no hostile navy could force a passage—had proved, during the War of 1914, to be virtually impregnable,

Copenhagen, on an island facing the coast of a foreign country, was one of the most exposed cities in the world, and Denmark as a whole was hardly in a better position. In her tiny national domain, with its flat surface intersected by numerous arms of the sea, which made the Danish coast-line longer than that of France, there was nothing corresponding to those impenetrable fastnesses which the Turks possessed in the interior of Anatolia with its high altitudes, immense distances, and defective means of communication. Though Denmark had had the good fortune to preserve her neutrality during the War of 1914, that was simply because none of the belligerents had chosen to violate it, and not because it could have been defended effectively by the Danish naval and military forces. Had she been attacked during the years 1914–18, Denmark would have fared far worse than she had done when this misfortune happened to her during the preceding General War of 1792–1815, and her own experts were under no illusions on the subject. Before the close of the War, they had reported to the Danish Government that Copenhagen was no longer defensible, and in Denmark this discovery brought the idea of voluntary total disarmament, which at that time seemed quite Utopian elsewhere, into the field of practical politics. People who have made up their minds that a particular insurance scheme will prove a failure if ever the risk insured against materializes, become restive over paying even a moderate premium year by year. If they are making no effective provision against possible disaster, they may as well save their money ; and if the threatened disaster is war and the premium an inevitably inadequate army and navy, the financial argument for liquidating the policy is reinforced by a psychological consideration. The existence of an army and navy which can offer no effective resistance to an aggressor may yet provide him with a just sufficiently plausible pretext for delivering his attack, whereas, if the country which is his intended victim has voluntarily laid aside all armaments, he may conceivably hesitate to incur the odium of an aggression which he cannot hope, in this case, to represent to the world as being anything but what it is.

Accordingly, the idea of voluntary disarmament became a political question in Denmark at a time when most other nations in Europe were still engaged in the General War. Afterwards, definite proposals were put forward by the Social Democratic Party in the parliament of 1921–2 ; and when a Social Democratic Ministry took office in April 1924 it cast these proposals into the form of a Bill to be laid before the *Folkething* or lower house of the *Rigsdag*.

This scheme [1] provided for the abolition not only of conscription, but also of the army, navy, Admiralty, and War Office. The place of the army was to be taken by a constabulary who were to be recruited by voluntary enlistment up to the strength of seven thousand for twelve years' service, and were to be put through a four and a half months' training, but were to live at home as reservists (receiving a retaining fee), except for about two hundred and fifty recruits who would always be in course of training at Copenhagen and other centres. This constabulary were to act as a frontier guard, while the coasts, territorial waters, and fisheries of Denmark, the Faroe Islands, Iceland, and Greenland were to be patrolled by five vessels, in addition to one vessel, three motor boats, and twelve aeroplanes to be retained for coast defence. The total *personnel* of this marine service was to be limited to a permanent staff of eighty or ninety and a temporary staff of three hundred and sixty. It was estimated that the financial effect of these changes would be to reduce the annual cost of national defence from £2,400,000 to £440,000. The Danish Government appear to have held that these armed forces would suffice for the fulfilment of Danish obligations under Article 16 of the Covenant of the League of Nations. Presumably they meant by this that the forces in question would be sufficient to control the execution of any economic or financial sanctions which Denmark might put into force against a Covenant-breaking state.

This Bill was duly introduced into the *Folkething* on the 8th October, passed its first reading (by a very narrow majority) on the 28th November, and thus reached the committee stage. It remained to be seen whether its provisions would be modified in committee by the Radicals, on whose votes the Government depended and who were known to prefer less extreme measures, and thereafter what its fate would be in the *Landsthing* or Upper House, in which the Government did not command a majority, and in which the opposition to the Bill was known to be considerable.[2]

These events in Denmark not unnaturally aroused intense interest in Sweden ; and in August 1924, a few weeks before the fall of the Conservative Government, the then Swedish Prime Minister, M. Trygger, delivered a speech at Malmö in which he publicly

[1] See the dispatch from the Copenhagen correspondent of *The Times*, published in the issue of the 9th September, 1924.

[2] See an article by F. de Jessen published in *Le Temps* of the 25th October, 1924.

deprecated the Danish disarmament scheme as being a 'two-edged sword', and went so far as to declare (according to a German report) [1] that, if it were carried into effect, 'Sweden would constantly be threatened with the possibility of a change of neighbours and of seeing the place of Denmark taken by another state whose interests in war and peace would perhaps be quite different from those of Scandinavia.'

The considerations which inclined Danish opinion in the direction of complete disarmament did not apply to Sweden, who, with double the population and with frontiers which were covered by the comparatively broad expanse of the Baltic Sea and the Gulf of Bothnia (except where they marched with her weaker neighbours, Norway and Finland), was in a far better position to defend herself by her own resources. Indeed, the results of the peace settlement had greatly improved Sweden's strategic position; for, whereas before the War she had been threatened, from across the Baltic, by the German and Russian Empires, Germany was now almost totally disarmed on sea and land; Russia had been pushed back from the east coast of the Baltic except for a tiny strip at the head of the Gulf of Finland, and Russia's place along the littoral had been taken by four weak states which could not possibly be a danger to Sweden, while their existence covered her against any direct attack from the Russian side. On the other hand, the annual cost of Swedish national defence, which had been rising steadily since the beginning of the century and stood at £6,360,000 at the outbreak of the War of 1914, had risen to a figure varying between £14,000,000 and £17,000,000 by its close, and even after the peace settlement the figure remained above £12,000,000, that is, about 26 per cent. of the total annual estimates.[2] In consequence, the voluntary reduction, though not the total abolition, of national armaments became a leading issue in Swedish politics, and all parties were agreed that some reduction must be carried out. M. Trygger's Conservative Ministry brought in a compromise Bill and referred it to a select committee of both Houses, in which all parties were represented proportionally, but no agreement had been reached before the Ministry fell. The new Social Democratic Ministry which was formed by M. Branting in September gave the reduction of national

[1] Dispatch from Copenhagen, dated the 16th August and published in the *Deutsche Allgemeine Zeitung* of the 19th August, 1924.

[2] These figures are taken from a dispatch from the Stockholm correspondent of *The Times*, published in the issue of the 10th December, 1924.

armaments a prominent place in its programme, and announced its intention to lay a new Bill before Parliament in the forthcoming session ; but Swedish opinion seemed to be in favour of reserving action in this matter until the prospects of the Geneva Protocol had become clearer than they were at the end of the year.

(viii) The Rome Conference of Naval Experts, 14th–25th February, 1924.

The Naval Sub-Commission of the Permanent Advisory Commission of the League of Nations for Military, Naval, and Air Questions was convened to meet in Rome on the 14th February, 1924, to consider the application of the principles embodied in the Five-Power Treaty for the Limitation of Naval Armaments, signed in Washington on the 6th February, 1922, to states not signatories of that treaty, whether or not they happened to be Members of the League.

The states represented on the Naval Sub-Commission were identical with those represented on the Council of the League (namely : Belgium, Brazil, the British Empire, Czechoslovakia, France, Italy, Japan, Spain, Sweden, and Uruguay), and experts from these states were to attend the conference *ex officio*. For the purpose in view, however, it was necessary, if possible, to secure the presence of experts from all states possessing ' capital ships ', since the limitation envisaged in the Washington Treaty was concerned with ' capital ships ' and with these exclusively—a ' capital ship ' being defined, in the text of the treaty, as ' a vessel of war, not an aircraft carrier, whose displacement exceeds 10,000 tons (10,160 metric tons) standard displacement, or which carries a gun with a calibre exceeding 8 inches (203 millimetres) '. Since vessels of this class were possessed by Argentina, Chile, Denmark, Greece, Norway, the Netherlands, Soviet Russia, and Turkey, all these states were invited (though the last two were not Members of the League) and all accepted the invitation except Turkey, who refused on the ground that the Lausanne Treaty had not yet been ratified by other parties and that she was, therefore, still in a state of war. The United States was unwilling to participate, in spite of the fact that the Washington Conference had been convened on her initiative and that the chief architect of the Five-Power Treaty had been Mr. Charles Evans Hughes. Germany was not invited, since she

had been debarred from possessing ' capital ships ' by the Versailles Treaty.

Thus the Conference was technically a meeting of the Naval Sub-Commission with an *ad hoc* enlargement of its membership ; and the delegates being experts and not plenipotentiaries were simply to undertake studies preparatory to the holding of an international conference of a political character at some later date. Unfortunately, the results of the Rome Conference were so disappointing that the more ambitious project to which it was to have been the preface was tacitly abandoned.

Since the meetings were held behind closed doors, exact information in regard to the proceedings was not available at the time of writing, but it appears that the failure was principally due to three causes. In the first place, the *amour propre* which had been so marked in the French delegation at Washington showed itself equally strong among the delegates of the lesser naval Powers at Rome and made them unwilling to reduce the tonnage of their capital ships in the proportion which had been agreed upon by the principal naval Powers. In this movement the Spanish delegate seems to have taken the lead, with support from several Latin American countries. In the second place, capital ships, to which the reference of the Conference was limited, were of secondary importance to most of the states represented as compared with auxiliary craft and especially with submarines. In the third place, the discussion was inevitably inconclusive because it was limited to technical questions, for political questions were thus *ex hypothesi* excluded, and this meant that the concrete conditions under which any scheme for reduction would be carried out could not be defined. The success of the Washington Conference had been largely due to the diplomatic skill with which the political and technical discussions had been kept abreast of one another. The technical parts of the Five-Power Treaty of the 6th February, 1922, were interdependent with the political provisions contained in Article 19 and in the Four-Power Pacific Treaty which had been signed on the 13th December, 1921. Thus, in working out agreements in either sphere, the negotiators knew at each stage how they stood in regard to the other sphere, and so commanded all the necessary data for taking decisions. At the Rome Conference no such synthesis was possible, and the difficulty was increased by the heterogeneity of the political interests in the background. The principal naval Powers which came to an agreement at Washington had to deal with a possible conflict of

interests in a single area, the Pacific, whereas the various participants in the Rome Conference were concerned with a number of local balances of naval power in the Baltic, the Black Sea, the Aegean, the Mediterranean, and the seas adjoining the southern parts of South America—that is, in areas which had no connexion with one another.

In these circumstances, substantial practical achievements were hardly to be expected in any case; but if any one factor was especially responsible for the failure of the Rome Conference, it was the attitude of the Russian delegate, Admiral Berens. A day or two after the Conference opened, Admiral Berens gave an interview to the Press [1] in which he declared that, while for the time being Russia was not in a position to reconstitute a fleet on the modern standard, and while she willingly agreed to the limitation of naval armaments in principle, it must be borne in mind that political treaties were the indispensable premises of any decisions which different states might make on the subject of limitation. After pointing out that, at Washington, the Pacific Treaty had preceded the Treaty for the Limitation of Naval Armaments, he suggested that political agreements were only possible as between states which were maintaining normal relations with one another, and that, since this advantage was not enjoyed by Russia, it followed that she could only make a decision in regard to limitation if and when she, too, was given the opportunity of concluding political treaties of an equally pacific character with other countries. Admiral Berens then re-opened the controversy which had been carried on between Russia and the Principal Allied Powers at the Lausanne Conference over the naval régime of the Black Sea and the Black Sea Straits.[2]

This interview foreshadowed the attitude which the Russian representative was preparing to take up in the official discussions with his colleagues. While the Conference apparently proposed that Russia's maximum for 'capital ships' tonnage should be 110,000 tons, Admiral Berens demanded a maximum of 400,000 (a figure which, if ever realized, would have made Russia a stronger naval Power than Japan, and second only to the United States and Great Britain). The only terms upon which he was willing to consider an abatement of this demand were that the Baltic, as well as the Black Sea, should be closed to the warships of all Powers except the riverains, who were then, presumably, to come to a local agreement among themselves,

[1] Interview with the representative of the *Agence Havas*, reported in *Le Temps* of the 17th February, 1924.

[2] See *Survey, 1920–3*, pp. 374–6.

including Russia, in either case. Since there was no possibility that these proposals would be accepted by the other parties, the work of the Conference was brought to a standstill as far as any agreed plan of action was concerned.

All that the Conference did was to set up a sub-committee to prepare a report for the Council of the League, summarizing the opinions of the different parties represented on the questions at issue. After unanimously approving the text of this record for approval by the Council, the Conference terminated its proceedings on the 25th February.

PART I

WORLD AFFAIRS

B. THE MOVEMENT OF POPULATION

(i) Introductory Note.

The term 'Movement of Population' is commonly used by political economists in a technical sense to denote the fluctuations in the rate of increase or decrease of population within a given geographical area over a period of time, and not the spatial movement from one area to another through the processes of emigration and immigration. History, however, cannot deal with either form of movement in isolation; for local fluctuations in volume produce local differences of level, and population, like water, is perpetually seeking to find a uniform level by flowing from one place to another, wherever bodies situated at different levels are in communication. In the case of water, the pressure generated when the difference of level is very great is one of the most powerful natural forces in the physical universe—a force which lends itself equally readily to destruction or production on the grand scale, according to the particular channel along which the current flows spontaneously or is guided by art. The pressure of population is a force of equal potency in human affairs; and it, too, depends for its effect upon the channels at its disposal.

Sometimes Fortune or statesmanship has so directed this force that its action has relieved the congestion of population in the home-lands of a civilized society by carrying off streams of emigrants into empty lands, where they have founded communities of the same civilization and have thus broadened the material basis of the society to which they belonged without depopulating the parent countries. An effect of this kind was produced by the movement of European emigrants into empty countries of temperate climate overseas during the three or four centuries preceding the War of 1914. Sometimes, on the other hand, a congested population in one region has been debarred from overflowing into under-populated regions with which it has come into contact, because the existing

inhabitants of these other regions have refused admission to the intending immigrants for motives of an economic, political, cultural, or racial order. Under such conditions, the pressure of population tends to be converted into a destructive force. The thrust directed against the barrier constantly increases in intensity until something gives way and the pent-up waters pour out in a flood which devastates the world. During the years immediately preceding the War a tension of this nature was beginning to be set up by the resistance which the sparse European colonists of formerly unoccupied countries overseas were offering to the efforts of Indians, Malays, Chinese, Japanese, and other civilized inhabitants of congested countries in the Far East to secure a footing for themselves in the lands of promise which Western enterprise had opened up for human settlement.

During the six years following the termination of the War of 1914–18, the various movements of emigration which had been temporarily arrested by the War began to resume their course ; and at the same time a strong impulse to restrict immigration began to declare itself in the United States and in other overseas countries towards which these migratory movements were directed. In regard to Oriental immigration, the new restrictive impulse simply intensified the existing tendency (leading, for example, in the United States to the absolute exclusion, under the Act of 1924, of immigrants belonging to certain nationalities the admittance of which was already severely restricted by legislation or by international agreement). In regard to European immigration, on the other hand, the effect of the new impulse was to bring about a complete reversal of policy. Down to the outbreak of the War, the United States and—with one or two exceptions—the lesser overseas countries had continued to welcome European immigrants with open arms. After the War, a hostility of the kind which the overseas peoples of European origin had always felt towards Oriental immigrants began to invade and transform their feelings towards immigrants from Europe, or at any rate from parts of Europe in which standards of living, political traditions, culture, and race differed perceptibly from the norm of the particular overseas country towards which the tide of immigration from that part of Europe was setting. For example, the people of the United States began to feel towards South-West and East European immigrants an antipathy of the same nature, though not yet of the same intensity, as that which they felt towards Indians, Chinese, and Japanese. The

lesser degree of intensity may be measured by the provisions of the Act of 1924, which merely differentiated against South-West and East European immigrants as compared with those from North-Western Europe, while it excluded Oriental immigrants altogether—notwithstanding the fact that latterly these Oriental immigrants had only been making their way into the United States at the rate of a few hundreds a year, whereas the South-West and East Europeans had been pouring into the country in their hundreds of thousands. Nevertheless, the essential tendency of the new legislation in respect of both these categories was the same, and this was a new fact of the utmost importance in international affairs.

On the other hand, the two problems created by the increasing hostility of the overseas countries towards European and Oriental immigration respectively during this period were dissimilar. In the first place there was, as has been mentioned, a great difference in the scale of the two migratory movements. By the outbreak of the War of 1914, the cumulative effects of emigration from Europe overseas had actually displaced the centre of Western population and therewith the centre of Western society, so that the Atlantic had become for the Western World what the Mediterranean had been for the Roman Empire—a central sea uniting peoples of a single civilization distributed round its shores. On the eve of the War, the annual volume of trans-Atlantic emigration from Europe had risen above 1,200,000 to the United States alone and above 1,500,000 to the American Continent as a whole. It was evident that, in the general economy of Western society at that time, this movement was one of the governing factors, and that far slighter restrictions upon it than those which were imposed successively by the United States Immigration Acts of 1921 and 1924 would have been bound to produce a profound effect upon the social and economic life of all Western communities on either side of the ocean. By comparison with this, the movement of population across the Pacific and the Indian Ocean hitherto had been almost negligible. In 1924 the total population of European origin or culture established by colonization round the shores of these vaster seas amounted to little more than 50,000,000, when the figures for South Africa, Australia, New Zealand, British Columbia, the Pacific States of the American Union, and the Latin-American Republics possessing a Pacific coastline [1] were added together. In these same countries,

[1] Including, in their case, the aboriginal elements, which were being assimilated in culture to the elements of European origin. The mixed

the aggregate population of Indian, Malay, Chinese, and Japanese origin which had secured a permanent footing by 1924 cannot have amounted to much more than half a million, and possibly fell below that figure.[1] These statistics make it evident that the passage in certain countries of restriction Acts or even of exclusion Acts affecting the movement of population across the Pacific would produce no immediate changes in the social and economic life of the world which would be at all comparable to the consequences of the slightest restrictions affecting the movement of population across the Atlantic.

This proposition can be demonstrated by a single example. The annual quota for Italian immigrants declared by President Coolidge in pursuance of the United States Immigration Act of 1924 was 3,845, as against an actual annual average of 194,545 Italian immigrants to the United States during the sixteen years ending in 1914. In other words, the restrictions imposed on South-West and East European immigration by the provisions of the Act cut off an average annual trans-Atlantic movement of 190,700 emigrants from a single South-West European country. On the other hand, the exclusion clause of the same Act, which put a total stop to the entry into the United States of Japanese immigrant aliens, thereby cut off an annual trans-Pacific movement from Japan of no more than 1,009 persons reckoned on the average of the years 1912–14 or 2,069 on the average of the years 1912–23. These figures point the contrast between the respective economic and political consequences of restriction of immigration into the overseas countries as it affected European immigrants on the one hand and Oriental immigrants on the other. The United States Act of 1924 seriously deranged the economic and social life of a number of countries in South-Western and Eastern Europe ; yet the only two European Governments which protested to the State Department were those of Italy and Rumania, and their protests were perfunctory. The consequences of the Act for the economic and social life of Japan were infinitesimal ; and yet its passage gave rise to a controversy between the Japanese and American Governments which threatened

population of these Latin countries of the Pacific aggregated about 37,000,000, whereas the aggregate population of North-West European origin in the English-speaking countries enumerated above amounted to hardly more than 14,000,000.

[1] In the United States there were 111,010 Japanese and 61,639 Chinese according to the census of 1920, while in the South African Union there were 163,955 Orientals of all nationalities according to Professor J. W. Gregory (*The Menace of Colour*, London, 1925, Seeley Service).

to produce such serious and far-reaching political effects upon the general development of international affairs that it almost entirely monopolized public interest and distracted attention from the equally momentous effects of the Act upon the economic and social life of the countries surrounding the Atlantic.

Why were the economic and political consequences of the Act, in these two cases, in inverse ratio to one another ? It might be argued that Continental European Governments were physically powerless to translate their resentment against the Act into action, whereas Japan, being a first-class naval Power in contact with the United States across the Pacific, was in a better position to take a strong line. This, however, is no explanation ; for in reality it was no more possible for Japan at that time to coerce the United States than for Italy or Rumania, and it was evident, all the time, that the Japanese Government had no intention of employing other weapons than those of diplomacy. If the Japanese diplomatic offensive was far more vigorous than the Italian on this occasion, that was not because the Japanese Government expected to achieve a greater practical effect but because they were impelled by a far more violent wave of national indignation. It has therefore to be explained why Japanese public opinion resented a slight damage to the economic interests of the nation so much more keenly than Italian opinion resented a damage of the first magnitude. The answer appears to be that one nation seldom seriously resents action taken by another nation, in the lawful exercise of its sovereign rights, even if this action happens to affect the former nation's economic interests adversely, so long as the latter nation is simply consulting its legitimate interests without any deliberate intention to injure or humiliate its neighbour. In other words, material damage to national interests is much less prone to create international ill-feeling than injury to national self-esteem ; and, as far as Italy was concerned, the damage caused by the Act, though extensive, was almost entirely material. It is, therefore, significant that the Italian Government's protest against the Act of 1924 was based on the ground that the selection of the 1890 census was discriminatory, i. e. wounding to Italian national self-respect ; for the total exclusion from immigration into the United States of ' aliens ineligible to citizenship ', against which the more vehement protest of the Japanese Government was directed, was wounding to Japanese national self-respect out of all proportion to the material damage involved in this case.

Thus the two problems of European and Oriental immigration into the overseas countries were different in character. The one problem was mainly economic, the other mainly psychological. In the present work it has, therefore, seemed best to treat them separately, even though both were involved in the same Acts of restrictive legislation. Accordingly, the United States Immigration Acts of 1921 and 1924 are treated first, in Section (ii) below, in so far as they affected European immigration. The repercussions of these Acts upon the European problem are next discussed in Sections (iii). (iv), and (v), which deal respectively with the immigration policy of overseas countries other than the United States, the internal colonization of France (where the statesmanlike measures taken by the French Government to redress a local tendency towards depopulation did something to relieve the congestion in Europe as a whole), and international measures for a solution of the emigration problem such as the conference of experts held in Rome. Finally, the problem of Oriental immigration into overseas countries occupied by peoples of European origin is dealt with in Section (vi), not only in respect of the United States Immigration Act of 1924, but in its other international bearings.

(ii) The United States Restriction of Immigration Acts of 1921 and 1924.

For nearly a century before the outbreak of the General War of 1914, the wave of immigration into the United States had been rising in a fluctuating but, on the balance, steeply ascending curve,[1] until it had become a factor of first-class importance not only in the internal development of the United States, but in the realm of international relations.[2] The highest figure had been reached in the year 1907, in which 1,285,349 immigrants contemplating permanent settle-

[1] See Chart I opposite p. 276 of *Annual Report of the Commissioner-General of Immigration to the Secretary of Labour. Fiscal year ended 30th June, 1920*, issued by the Bureau of Immigration of the U.S. Department of Labour (Washington, 1920, Government Printing Office).

[2] Its volume began to be perceptible about the year 1820, by which time the people of the United States had recovered from the exhaustion of the War of Independence and had begun to expand into the West, which had been opened to them politically by the elimination of British, French, and Spanish rule from the North American Continent south of the Great Lakes. This new pioneer movement created an abnormal demand for increase of population, which Western Europe was then ready to supply owing to the derangement which her economic life had suffered from the General War of 1792–1815.

ment had been admitted into United States territory; but this figure had been almost equalled by the 1,218,480 who were admitted in 1914, and there was every indication that, but for the outbreak of the War, the rate of increase in the volume of immigration would have been maintained if not exceeded in the following years. To appreciate the significance of this prospect, it is necessary to realize the part which immigration had played already in the building of the American nation. During the one hundred and one years from the fiscal year ending the 30th June, 1820, to the fiscal year ending the 30th June, 1920, inclusive, 33,630,104 persons in all had been admitted into the country;[1] and out of the total of 105,710,620 inhabitants revealed by the census of 1920 it was estimated that only 49,000,000, or less than half, represented the natural increase of the population which had been already established in the country in 1820.[2]

Even before 1914, these general statistical facts were beginning to cause disquietude to American statesmen and economists, for by that time the pioneer movement, sustained and impelled for a century by this mighty stream of population from abroad, was perceptibly approaching its natural term. It was already possible to estimate the periods within which those immense surplus stocks of land, timber, and minerals, upon the progressive development of which the economic and social life of the American people had hitherto been based, would cease to be available. The national readjustment which would have to be effected when that point was reached presented a formidable problem, and by a natural train of thought far-sighted Americans began to discuss whether this evil day should not be postponed and its dangers mitigated by restricting the flow of immigration, which, in its present volume, threatened to bring on the crisis long before the nation was prepared to cope with it. Others, again, who did not look so far ahead as this, were becoming alive to the effect of immigration in accentuating the 'periodicity' of American economic life and aggravating the unemployment problem in times of depression—an effect which was more easily discernible to the ordinary citizen than the draft upon the country's capital resources, since the immigrants themselves

[1] Against this must be set the appreciable, though relatively very small, wave of re-emigration.

[2] See table on pp. 58–9 of J. B. Trevor, *An Analysis of the American Immigration Act of 1924* (*International Conciliation*, No. 202 of September 1924, published by the Carnegie Endowment for International Peace, 407 West 117th Street, New York City).

were mostly absorbed, in the first instance, into the manufacturing rather than the extractive industries.

These purely economic motives for a new departure in immigration policy were reinforced by others of a mainly political character. The first reinforcements from overseas had been drawn principally (as was to be expected) from those countries in North-Western Europe—namely, the British Isles, Germany, the Netherlands, and France—from which the White population already established in the territory of the United States before 1820 had itself been derived ; and from 1820 to 1873 inclusive the two contingents from the British Isles and Germany had accounted between them for the overwhelming majority of the total annual immigration.[1] There was a break of continuity, however, during the six years 1874–9, during which the total temporarily declined, and from 1880 onwards (when it again attained its previous maximum volume) down to the last pre-war year ending on the 30th June, 1914, the composition of the growing annual volume of immigrants underwent a profound change.

When analysed from this point of view, the period from 1880 to 1914 inclusive falls into two phases. During the first phase, which lasted from 1880 into the early 'nineties and which was marked by a new and rapid increase in the total volume of immigration, the British Isles and Germany still played the leading part ; but a notable share was taken for the first time by the Scandinavian countries, while three entirely new streams (starting as mere trickles but steadily increasing in volume) began to flow, in approximately equal strengths and with almost exactly the same ratios of increase and fluctuation, from Italy, Austria-Hungary, and the Russian Empire. The full import of these fresh tributaries became apparent during the second phase, when, after a temporary falling off from 1893 to 1898, the total immigration attained a greater volume and a faster rate of increase than it had ever reached before. During this phase, which lasted from 1899 to 1914 inclusive, the British, German, and Scandinavian contingents did not appreciably exceed

[1] See the illuminating visual presentation of 'Immigration from the different countries during the past 101 years' in Chart 2 opposite p. 276 of the Commissioner-General's Report for the year ending the 30th June, 1920. The fluctuations in the volume of the respective streams from the British Isles and Germany display a remarkable similarity. Both expanded suddenly in the late 'forties and early 'fifties (presumably under the stimuli of the Great Irish Famine and the Revolution of 1848) ; both contracted during the early 'sixties in consequence of the American Civil War ; and both again expanded between 1868 and 1874 in an almost identical ratio.

the strength to which they had sunk during the period of total diminution from 1893 to 1898; and the renewed expansion of the total stream of immigration was almost entirely due to an unprecedented growth in the three new feeders from the Russian Empire, Austria-Hungary, and Italy. For the benefit of readers who cannot refer to the second chart in the United States Immigration Commissioner's report for the year ending the 30th June, 1920, the statistical change may be presented briefly as follows:

Year ending 30th June.	*Total No. of immigrants.*	*No. from Italy.*	*No. from Austria-Hungary.*	*No. from Russian Empire.*	*Combined No. from these three countries.*	*Combined No. from all other countries.*
1892 . .	579,663	61,631	76,937	81,511	220,079	359,584
1898 . .	229,299	58,613	39,797	29,828	128,238	101,061
1907 . .	1,285,349	285,731	338,452	258,943	883,126	402,223
1914 . .	1,218,480	283,738	278,152	255,660	817,550	400,930

Thus, during the sixteen years immediately preceding the outbreak of the War, the national homogeneity of the United States was being doubly threatened. Not only was the ratio of annual immigration to the total annual growth of population (and to the total reserve of undeveloped material resources) increasing at an alarming rate, but at the same time the composition of the stream of immigrants had been transformed. Instead of being drawn predominantly from North-Western Europe, the source of the original population which had given the American people its specific national character, they were now being drawn predominantly from countries in South-Western and Eastern Europe with a markedly different economic, political, and cultural tradition.[1]

This change of composition in the stream of immigration, like the increase in its total volume, first impressed itself on the American consciousness in the economic sphere—the total increase threatened to exhaust the national reserves of wealth, the change in composition to lower the national standard of living—but the outbreak of the War of 1914 carried the problem on to political ground. The melting-pot had not fused the mixed metal of American nationality so intimately as to make its texture proof against every political shock, and, under the impact of the vast commotion beyond the Atlantic, the metal cracked. This political phenomenon and its

[1] The great streams from the Russian Empire, Austria-Hungary, and Italy were reinforced by rivulets from Turkey, Greece, and the other pre-war states of the Balkan Peninsula, while the only additional rivulet of North-West European origin to counteract the diminution in the British and German streams was contributed by Canada.

effect upon American public opinion in the controversy over the 'hyphen' belong to the history of the War of 1914, and can only be referred to here as a factor in the subsequent situation. Its first consequence in the field of legislation was an Act of the 5th February, 1917, 'to regulate the immigration of aliens to, and the residence of aliens in, the United States', which consolidated the previous legislation on the subject and made the conditions of entry more stringent (especially in regard to literacy); but this Act did not impose any numerical restrictions upon the number of immigrants admissible in a given year.[1] Nevertheless, the importance of the new political issue raised by the question of immigration was very great; for, while the almost complete stoppage of emigration from Europe during the War might have allayed American misgivings and led to the postponement of general restrictive legislation if the American public had continued to be influenced by economic considerations alone,[2] the newly awakened political anxiety had the result that in 1918—a year in which the total number of immigrants was lower than it had been at any time since 1844[3]—the movement for the restriction of immigration was far stronger than it had been during the flood-tide years from 1907 to 1914. This political feeling, however, would normally have diminished again from the time of the Armistice onwards, as the war-sympathy of the 'hyphenated-Americans' for their respective European countries of origin subsided and the resentment of the 'hundred-per-cent Americans' against the European peoples with whom they had been at war died down. Even the dislike of the East European immigrant as a potential missionary of Bolshevism, which had strengthened the

[1] For the text of this Act and of those portions of the previous legislation which were not superseded by it see *Immigration Laws and Rules of February 1, 1924*, issued by the U.S. Department of Labour, Bureau of Immigration (Washington, 1924, Government Printing Office). No doubt the most striking provision of this Act was the establishment (in Section 3) of an 'Asiatic Barred Zone', the natives of which were excluded (with certain exceptions) from admission into the United States. This provision, however, was essentially regional (being really an extension of the Chinese Exclusion Act of the 6th May, 1882) and did not affect the question of European immigration, to which the scope of the present section is confined. The regional question of Oriental immigration, which raised a different set of issues, is treated in Section (vi) below.

[2] For the internal economic effects of this sudden stoppage of immigration, and especially for the great movement of negro population from the Southern States to the industrial centres of the North, see I. Bowman, *The New World*, 2nd ed., supplementary chapter, 'The Situation of the United States' (London, 1924, Harrap).

[3] Leaving out of account the abnormal year 1862, the blackest year of the Civil War.

feeling against the ' hyphen ' after the Russian Revolution of 1917 and had resulted in the enactment of special legislation in 1918 and 1920,[1] might have diminished as the general economic situation slowly improved and communist propaganda ceased to be dangerous ; but the political demand for restriction which had been produced by these temporary causes was rendered more rigid, enduring, and implacable by being transmuted almost immediately into racial terms.

As early as 1899, the United States Immigration Bureau had begun to keep statistics of immigrants by ' races ' as well as by countries of origin, and although the term ' race ' as thus employed meant simply ' linguistic nationality ' the introduction of the term exercised an important influence upon the American attitude of mind. ' Linguistic nationality ', which has little or nothing to do with race in the physiological sense, was historically a product of environment and tended to vary with it, and accordingly the fact that an immigrant had come from Southern or Eastern Europe and spoke a Latin or Slavonic language by no means precluded him and his descendants *a priori* from becoming good Americans. The possibility of their national transformation evidently depended on controllable factors such as the number of arrivals in any given year, the education provided for the children after arrival and the degree to which the immigrants of a given group dispersed or kept together after their settlement on American soil. To the Americans, however, with their ' Nordic ' race-consciousness and their acute experience of the primarily physiological race-difference between Whites and negroes in their own country, the term ' race ' connoted unalterable characteristics and insurmountable barriers, and this connotation coloured their view of the immigration problem when it became urgent once more after the restoration of peace in Europe.

The first official year in which the volume of immigration again began to increase was that running from the 1st July, 1919, to the 30th June, 1920, and some significant facts were brought out in the Immigration Commissioner's report for that period, which was conceived throughout in ' racial ' terms.

> It is usual in a discussion of immigration statistics to make comparisons between two principal groups of European races or peoples, namely those indigenous to Northern and Western Europe, including

[1] An ' Act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes ', approved on the 16th October, 1918 ; and an amending Act approved on the 5th June, 1920 (texts in *Immigration Laws and Rules*, p. 85).

the Dutch, the Flemish, English, French, German, Irish, Scandinavian, Scotch, and Welsh, and those who come from the other or Southern and Eastern countries. For many years prior to the outbreak of the War the latter group of peoples made up by far the greater part of our European immigration, and in spite of the almost complete cessation of the once great movement from Austria, Hungary, Russia and other Eastern countries, they contributed 184,903 immigrant aliens in 1920 compared with 165,871 North-Western European peoples.[1]

Although nearly 20 months have passed since the signing of the Armistice, the close of the fiscal year 1920 finds the immigration lanes from a great part of Europe closed almost as effectively as they were during the War. It is true that the resumption of peace-time traffic on the ocean and the return of fairly normal conditions in Great Britain, France and other Western European nations have brought about a considerable immigration and emigration movement between those countries and the United States. It is true also that the movement to and from Italy and Greece has reached considerable proportions, but Austria, Hungary, Russia, the Balkans, Germany and the war-born states of Finland, Czechoslovakia, and Poland—territory which sent nearly 600,000 immigrants to the United States in 1914 alone—sent less than 6,300 in 1920. Therefore what will undoubtedly be our greatest post-war immigration problem is still a matter of the future, but even a casual observation of the trend of events in Central and Eastern Europe is enough to warrant the conviction that at any time and without warning this problem may become an immediate and very pressing one.

Developments of the year have been such as to strengthen the Bureau's belief that when the real peace finally comes to that part of the world and free communication with other countries is again resumed, the volume of immigration will be limited only by the lack of ocean transportation or the effectiveness of possible barriers which the various countries themselves may erect against the emigration of their people, or which the United States and other nations may erect to wholly or in part prevent their admission.[2]

[1] The Commissioner noted that these figures included immigrants coming from Canada and other sources as well as from Europe; that 97,800 of the Southern and Eastern European group, or more than half the number of that group, were Italians; and that, of the Northern and Western group 58,366 were English, of whom 5,044 came from Europe and 30,398 from British North America.

[2] This prediction was based on the *gross* figures of the year for immigrant aliens. The figures for *net* immigration, obtained by setting off against one another the immigrant aliens arriving in the United States and the emigrant aliens leaving the United States for other countries, gave very different results, since 165,871 North and West European immigrants entered, and 41,532 emigrants left, the United States during this period, producing a net increase of 124,339, whereas the figures for East and South Europeans were 184,903 and 226,566 respectively, resulting in a *net decrease* of 41,663. The Commissioner justly pointed out, however, that this counter-movement of retro-migration to Southern and Eastern Europe would almost certainly be transitory, since it was due to exceptional conditions arising out of the War, whereas immigration from Western Europe had 'long ago passed the crest and probably would never again attain its old-time volume'. The gross figure of immigration from Southern and Eastern Europe, therefore, dominated the situation.

The first attempt to erect such a barrier was not long delayed. It took the form of an emergency Bill to restrict immigration in any given year to 3 per cent. of the total number of foreign-born persons already in the country as shown in the census of 1910,[1] and this Bill was passed through both Houses of Congress during the first months of the calendar year 1921. President Wilson vetoed it, however, by leaving it unsigned when he went out of office ; and after the installation of President Harding on the 4th March, 1921, it was introduced again. The House of Representatives desired to insert a number of exemptions from the 3 per cent. limitation, to which the Senate was unwilling to agree ; but a committee of conference arrived at a compromise—the House consenting to abandon all its other proposed exemptions [2] in return for the consent of the Senate that the (alien) children of (naturalized) American citizens should be admitted into United States territory, up to the age of 18, without counting in the annual quota of immigrants from their particular country of origin. In the amended form agreed by the committee of the two Houses, the Bill was approved on the 19th May, 1921, and came into force on the 3rd June, 1921 (in accordance with the terms of Section v) fifteen days after it had received President Harding's signature.

This Act [3] began by defining the ' United States ' as all land or water under United States jurisdiction except the Canal Zone and the Philippine Islands, without exempting any alien who left the Canal Zone or any insular possession of the United States and attempted to enter any other place under United States jurisdiction from the conditions applicable to all aliens.[4] ' Alien ' was defined as any person not a native-born or naturalized citizen of the United States except Indians of the United States not taxed or *citizens* [5] of the Islands under the jurisdiction of the United States (Section 1). The number of aliens of any nationality who were to be admitted,

[1] The results of the 1920 census were not yet available for use.

[2] The potentially widest exemption which the House of Representatives had proposed to insert was in favour of the victims of religious persecution, and it was to this that the Senate objected most strongly. It must be remembered that, under this proposed exemption, admission to the United States might have been claimed by all the Jews of Eastern Europe and all the Greek and Armenian refugees from Anatolia !

[3] The text is reprinted in the Appendix to the present volume from the U.S. Congressional print, *H. R. 4075* (Public, No. 5, 67th Congress).

[4] This proviso was intended to prevent the large colony of Japanese aliens resident in Hawaii from migrating to the continental territories of the United States along the Pacific Coast.

[5] This was to exclude aliens who had settled in the Islands from elsewhere.

under the existing immigration laws of the United States, in any fiscal year was to be limited to 3 per cent. of the number of foreign-born persons of such nationality resident in the United States, as determined by the census of 1910. In reckoning these quotas, however, the following classes of persons were not to be counted : (1) government officials and their households ; (2) aliens in continuous transit through the United States ; (3) aliens already lawfully admitted, if passing in transit across foreign territory from one part of the United States to another ; (4) aliens visiting the United States temporarily on business or pleasure ; (5) aliens from countries immigration from which was regulated by treaties or agreements relating solely to immigration ; (6) aliens from the ' Asiatic Barred Zone ' described in Section 3 of the Immigration Act of the 5th February, 1917 ; [1] (7) aliens who had resided continuously for at least one year preceding the time of their admission to the United States in Canada, Newfoundland, Cuba, Mexico, countries of Central and South America or adjacent islands ; (8) aliens under the age of 18 who were children of citizens of the United States. Nationality was to be determined by country of birth, colonies or dependencies separately enumerated in the United States census of 1910 being treated as separate countries. The government departments concerned were to prepare a statement showing the number of foreign-born persons of each nationality resident in the United States as determined by the census of 1910—with adjustments on account of subsequent territorial changes which had been recognized by the United States. When the quota of any nationality for a given year had been filled, further applicants for admission were to be excluded, and the number admitted in any one month was not to exceed 20 per cent. of the quota for the whole year. Certain privileged categories, however, were still to be admitted even after the quota was full, while, in making up the quota, preference was to be given to certain other categories as far as possible (Section 2). The information required for the working of the Act was to be collected and published by the Commissioner-General of Immigration (Section 3). The Act was to be in addition to and not in substitution for the existing immigration laws (Section 4). The Act was to come into force within fifteen days of its enactment,[2] and to continue in force until the 30th June, 1922.[3]

[1] This is dealt with further in Section (vi) below.

[2] Except the provisions requiring the Immigration Commissioner to collect information, which were to come into force simultaneously with enactment.

[3] The quotas for the period between the coming into force of the Act and

This short emergency Act inaugurated one of the most momentous departures in the policy of the United States since the establishment of the Union ; but it was only intended as a first experimental step, and after an amending resolution had been approved on the 11th May, 1922, and the Act, thus amended, had been prolonged for two years, it was allowed to expire on the 30th June, 1924. In the meantime, a new measure for restricting immigration, officially entitled ' The Immigration Act of 1924 ', was approved on the 26th May, 1924, signed by the President two days later, and brought into effect on the date of enactment in respect of some clauses and on the 1st July, 1924, in respect of the remainder.[1] The provisions of this new Act, like those of the Act of 1921, were expressly declared [2] to be in addition to and not in substitution for the provisions of the existing immigration laws, the greater part of which had been consolidated in the Act of the 5th February, 1917. In combination with this previous legislation, the Act of 1924 was intended (unlike the emergency Act of 1921) to place the restriction of immigration into the United States upon a permanent basis.[3]

The great innovation of the 1921 emergency Act had been the establishment of annual quotas for immigrants into the United States from all countries in the world, and the calculation of these quotas at a uniform percentage of the number of persons, already resident in the United States on a given date, who had originated respectively in each foreign country. In the Act of 1924, this general principle was reproduced, but the formula by which the quotas were to be determined was altered, with the double object of further restricting the total annual volume of immigration and of discriminating against immigrants from certain groups of countries in favour of those from others.

The measures for restricting the total volume more drastically than had been done in the emergency Act of 1921 were inspired by the actual experience of how that Act had worked during the three years for which it had been in force. According to its provisions, the maximum total number of immigrants admissible under the quotas

the end of the current financial year (that is, the 30th June, 1921) were to be proportional to the annual quotas for the complete fiscal year ending on the 30th June, 1922.

[1] Section 31 of the Act : ' Time of Taking Effect.'

[2] Section 25 of the Act.

[3] Portions of the text of the Immigration Act of 1924 are reprinted in the Appendix to the present volume from J. B. Trevor, *An Analysis of the American Immigration Act of 1924* (cited in a previous foot-note), where the complete text will be found.

had been 357,803 *per annum* ; yet the returns for the ten calendar months ending on the 30th April, 1924, showed that, during this period, there had been a net increase of 600,285 alien residents in the United States, of whom 574,278 were immigrant aliens contemplating permanent settlement in the country. On a proportional basis, the total net increase of immigrant aliens during the calendar year ending the 30th June, 1924, would have worked out at approximately 689,134,[1] as against the 663,268 which had been the average net increase of population by immigration during the five years of flood-tide immediately preceding the War. In other words, the Act of 1921, while it had doubtless prevented an overwhelming increase upon the highest pre-war figures, had not succeeded in decreasing the figures or even in keeping them quite at the pre-war level. Since the American people had made up their minds to secure a drastic reduction, it was clear that new measures had to be devised.

The excess of total immigration over the quota total under the Act of 1921 had been due to several causes : the admission, over and above the quota, of aliens under the age of 18 who were children of citizens of the United States ; the non-application of the quota system to the citizens of other American countries (including not only the independent republics but the self-governing dominions and non-self-governing colonies of European Powers) ; and the non-inclusion in the quotas for their respective countries of origin of aliens who had resided in the above-mentioned American countries for at least one year.[2] In the new law, this class of immigrants admitted over and above the quotas (described officially as non-quota immigrants) was narrowed down. Immigrants from the non-self-governing colonies in America of European Powers were henceforward to be included in the respective quotas of the mother countries, as well as all immigrants entering the United States from other American countries (the independent republics, the Dominion of Canada, and Newfoundland) unless they had themselves been born in these countries. On the other hand, immigrants born in

[1] Trevor, *op. cit.*, p. 15. From the United States Immigration Commissioner's Report for the year ending the 30th June, 1924, it subsequently appeared that the actual total net increase of alien population for that year amounted to 662,557, and the net admission of immigrant aliens (after deducting 76,789 emigrant aliens from the gross total of immigrant aliens) to 630,107.

[2] During the ten calendar months ending on the 30th April, 1924, the net increase of aliens resident in the United States through immigration via Canada and Newfoundland amounted to 162,170 and via Mexico to 74,130.

the last-mentioned countries (together with their wives and their unmarried children under 18 years of age) were still (for reasons of policy) not subjected to the quota system, and the exemption from the quota of immigrant aliens who were the unmarried children, under 18 years of age, or the wives,[1] of citizens of the United States was (inevitably) provided for. It is true that this latter class of exemption was now hedged about with difficulties.[2] United States consular officers were not to issue immigration *visas* to applicants under this head either as non-quota immigrants or as preferred cases within their national quota unless and until they had received specific authority, in each instance, from the Secretary of State at Washington ; and this authority could only be attained if the citizen of the United States with whom the applicant claimed relationship complied with an elaborate procedure. He must file a petition giving detailed information and involving serious personal responsibilities ; the petition must be duly attested and supported ; and it must then run the gauntlet of the Commissioner-General for Immigration and the Secretary of Labour before reaching the Secretary of State. Even so, however, experience indicated that the number of non-quota immigrants was likely still to bear so high a proportion to that of the quota immigrants that it would not be possible substantially to reduce the total annual volume of immigration except by cutting down the quotas themselves.

This was provided for in the Act of 1924 by two new formulae [3] which were to come into operation successively. During the three years ending on the 30th June, 1927, the quota for each foreign country was still to be determined, as it had been under the Act of 1921, by the number of foreign-born persons of the respective nationalities who were resident in the United States on a given date ; but under the new law persons resident in Continental United States alone were to be taken into account, the quota percentage was to be reduced from 3 to 2 per cent., while the figures were to be taken from the census of 1890.[4] Under this first formula, the maximum annual total for quota immigrants was reduced from 357,803 (the figure under the Act of 1921) to 164,667 (the aggregate of the national

[1] The inclusion of alien wives was one of the few provisions in which the Act of 1924 was less stringent than the Act of 1921.

[2] Section 9 of the Act : ' Issuance of Immigration visas to Relatives.'

[3] Set out in Section 11 of the Act.

[4] In the 1890 census, the foreign-born population numbered 9,249,560 out of a total of 62,947,714 ; in the 1910 census, 13,515,886 out of a total of 91,972,266 (that is, 14·69 of the total population at either date).

quotas declared in President Coolidge's proclamation of the 30th June, 1924).[1] The second formula, however, which was to enter into operation on the 1st July, 1927, and to remain in operation in perpetuity thereafter, was still more drastic.

Under the second formula, the maximum annual total for quota immigrants was to be 150,000, and the annual quota of any nationality was to be

> a number which bears the same ratio to 150,000 as the number of inhabitants in Continental United States in 1920 [2] having that national origin . . . bears to the number of inhabitants in Continental United States in 1920—

the minimum quota of any nationality being fixed at 100. 'National origin' was to be ascertained

> by determining as nearly as may be, in respect of each geographical area which . . . is to be treated as a separate country . . . the number of inhabitants in Continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area.

The purpose of this second formula was to restrict immigration in such a way that the proportion of immigrants admitted in any given year from any given country should approximate as closely as possible to the relative contribution of immigrants from that country to the population of the United States during the whole period during which the American nation had been built up—partly by the natural increase of colonists, immigrants, and their descendants, and partly by the continuance of immigration down to the year 1920. In other words, the particular national blend which had been formed in the United States between the arrival of the first colonists and the year 1920 was thenceforward to be maintained proportionally unaltered; and when once the policy of restricting immigration had been introduced, this was a natural aim from the point of view of the American people as it existed at that time. The formula, if it worked, would promote national homogeneity 'scientifically', and it would at the same time preclude that ill-feeling which might conceivably arise between American citizens of different national origins if certain elements in the existing blend were to be increased or diminished relatively in comparison with others through the methods employed for restricting immigration as a whole. For

[1] The text of this proclamation is printed in the Appendix to the present volume.

[2] The term 'inhabitants in Continental United States in 1920' was carefully defined in a subsequent subdivision of the section.

example, American citizens of Italian origin could not resent a formula which insured that the proportion between the element of Italian origin and the elements of German or British origin in the existing composition of the American nation would remain unaltered. On the other hand, the formula would inevitably wear a different complexion in the eyes of intending immigrants from Italy at the time when the new law came into force, and in the eyes of the Italian Government and people.

To intending immigrants and their respective fellow-countrymen in countries which had been accustomed, during the years immediately preceding the War of 1914, to send large annual contingents of immigrants abroad, the sudden restriction of immigration into the United States under the Act of 1921 had already come as a heavy blow. At the same time, they could not, and did not, contest in principle the right of the United States to deal with immigration as an affair exclusively within her domestic jurisdiction ; and they would have been left with a sense of hardship, perhaps, but hardly of injustice, if the quotas under the Act of 1924 had been kept as nearly as possible proportional to the actual contingents of immigrants sent by different countries to the United States during the years immediately preceding the War. This proportion had been substantially maintained under the Act of 1921. Under the 1921 formula the Italians, for example, could feel that, however great the dislocation which was being produced in the national economy of Italy by the sudden restriction of the field for Italian emigrants in the United States, the national economy of Germany and Great Britain was being dislocated by the same cause to an exactly proportionate extent ; but the relative effect of the 1924 formula in restricting the field for Italian, German, and British immigrants was bound to be entirely different. The new formula took account of immigration since the arrival of the first colonists, and in this movement, taken as a whole, British and German immigrants had been preponderant, whereas the preponderance of annual immigration from Italy and other South-West European and East European countries, which had been so striking a fact on the eve of the War of 1914, was a phenomenon which only dated from 1899. Therefore, the formula of quotas based on national origins would not only restrict the contingents of Italian and other South-West and East European immigrants but would restrict them quite disproportionately to the British, German, and other North-West European contingents, as measured by the actual contingents of

the immediately preceding years. A similar differentiation would result from the provisional formula which was to be in force for the three years ending on the 30th June, 1927 ; and this formula was more wounding than the other, since the deliberate intention of differentiating against South-West and East European immigrants was more apparent on the surface in a scheme which substituted for the most recent census the obsolete census of 1890—i. e. the last census before the date at which immigration from South-Western and Eastern Europe became preponderant —than in a scheme which abandoned the most recent census in order to take into account the whole course of American history.

The deliberate intention to differentiate was not denied by Mr. Johnson, who had introduced the Bill in the House of Representatives and was responsible for the idea of taking the 1890 census as the basis for the provisional formula. On the other hand, the Senate were at first in favour of retaining the 1910 census,[1] which had been the basis of the formula in the Act of 1921 ; and they did not yield on this point to the House until the Bill went into the conference stage. The 1890 basis was more resolutely opposed by the Secretary of State, Mr. Charles Evans Hughes, who had to consider the possible effect of the Bill upon the foreign relations of the country. While the Bill was before the House, Mr. Hughes remonstrated more than once in an open letter against the 1890 basis ; argued that the Bill should be ' void of any discrimination of which just complaint can be made ' ; and forwarded to the House Committee on the Bill two protests which had been lodged with the State Department by the Italian and Rumanian Governments against a formula which they described as discriminating unwarrantably to the detriment of friendly nations.[2] The last of these steps, like the forwarding of the protest against the exclusion clause which was received from the Japanese Ambassador,[3] was probably a tactical error on Mr. Hughes's part, for it evidently increased the obstinacy of the House in insisting upon the 1890 basis and possibly assisted in inducing the Senate to give in to the House in this matter. American opinion at this period was peculiarly sensitive to any appearance of foreign interference in the internal affairs of the United States.

It remains to consider very briefly certain other features of the

[1] See *The Times*, 1st March, 1924.
[2] *Ibid.*, 4th January and 22nd February, 1924.
[3] See Section (vi), p. 151, below.

Act which were subsidiary to the two quota formulae. The definitions of ' United States ' and ' alien ' were identical with those in the Act of 1921, though in calculating the new formulae the population of Continental United States alone was to be taken into account. Out of the eight classes of persons who, under the Act of 1921, were not to be counted in the quotas, the first four were exempted altogether from the provisions of the Act of 1924 as not being immigrants within the meaning of the Act ; [1] and in the same category were placed *bona fide* alien seamen and aliens

> entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation—

an exception which was inserted at the instance of the Secretary of State [2] and was evidently of great practical importance. On the other hand, the fifth and sixth classes exempted from the quota under the Act of 1921 were omitted in the Act of 1924 for reasons arising out of the special problem of Oriental immigration which will be discussed below in Section (vi). Finally, the seventh and eighth classes of the previous Act (immigrants entering the United States from other American countries and the alien children of citizens of the United States) were placed under the head of ' non-quota immigrants ',[3] under certain fresh conditions which have been mentioned already. Under the same head, *bona fide* students, university teachers, ministers of religion, and aliens previously lawfully admitted who were returning from a temporary visit abroad were again placed in a privileged category, though this time the privilege was not extended, as it had been in the Act of 1921, to actors, artists, lecturers, singers, nurses, and domestic servants.

An important innovation in the Act of 1924 was the provision that, without prejudice to the right of the United States Immigration Service to refuse admittance to intending immigrants upon their arrival at the ports or land-frontiers of the United States, every intending immigrant should be required first to obtain a *visa* from a United States consular officer in the country from which he started. This provision was based, like many others in the new Act, upon the experiences of the past three years.

> Under the 1921 Act ' a troublesome difficulty ' was ' the enforcement of the numerical limitation ', as that Act required the ' actual physical

[1] Section 3.
[2] See A. W. Parker, ' The Quota Provisions of the Immigration Act of 1924,' *American Journal of International Law*, October 1924, p. 743.
[3] Section 4.

counting of human beings arriving by ship', which was 'a task of magnitude', leading to mistakes, the racing of ships into ports, delays, disappointments, and hardships, and 'distressing appeals for relief in individual cases'.[1] So Congress determined that the new law should contemplate the counting of 'certificates (*visas*), not persons'; that the law should provide 'for enforcement of the numerical limitation not by counting immigrants upon their arrival, but by counting "immigration certificates"[2] issuable at American consulates overseas'.[3] And it was also provided, in connexion with the *visa* system, that the consuls should not issue a *visa* to any immigrant if it should appear to him from the evidence presented that such immigrant was a member of any class excluded by the immigration laws.[4]

On the whole, this new arrangement was calculated to save much expense and hardship to intending immigrants who were in fact ineligible for admission, but it was pointed out by an American critic[5] that the powers thereby bestowed upon United States officials abroad were in some respects too narrow and in others too wide. On the one hand, no provision was made for the inspection of intending immigrants by United States medical officers prior to their application for a *visa*, so that they might still cross the ocean only to be turned back on medical grounds on their arrival at an American port. On the other hand, absolute authority to refuse the *visa* was invested in consular officers and no provision was made for an appeal.

This is the first time in the history of immigration legislation that subordinate officials have been allowed finally to determine the question of admissibility, in any other than technical medical cases, and, even in those, appeals to boards of surgeons have usually been possible. And the records of the Department of Labour contain numerous cases in which, had it not been for the right of appeal, most serious injustice would have been perpetrated; while the reports of the Federal courts contain many cases in which, even with the appeal to superior administrative officers, unfairness and arbitrariness prevailed.

However, this provision, like the Act as a whole, lay within the sole discretion of the legislative power in the United States. Individual applicants for *visas* and the Governments of the countries to which they belonged were alike powerless to secure any modifications of the momentous action which the United States had taken. For countries in the position of Italy, whose annual contingent of

[1] *H. R. 350* (68th Congress, 1st session), p. 12.
[2] These, when the House and Senate Bills were finally merged and enacted into law, were called 'visas', not 'certificates'.
[3] *Loc. cit.*, pp. 1 and 12.
[4] A. W. Parker, *loc. cit.*, pp. 738–9.
[5] *Loc. cit.*, p. 742.

emigrants to the United States was cut down from 283,738 (the figure for 1914) to 3,845 (the Italian quota declared in President Coolidge's proclamation of the 30th June, 1924), the only recourse was to seek alternative fields for immigration in other under-populated overseas countries suitable for settlement by Europeans, or else in under-populated countries nearer home, such as the French dependencies in North-West Africa or France itself.

(iii) The Immigration Policy of Overseas Countries other than the United States.

Before the passage of the two Restriction of Immigration Acts of 1921 and 1924, the average annual volume of European immigration into the United States had immensely exceeded the aggregate figure for all the lesser overseas countries. Although the areas of several of these countries were as large as, or larger than, the area of the United States, only portions of them were suitable for European settlement. Vast territories—for example, the sub-arctic tundras of Northern Canada, the tropical forests and swamps of the Amazon Basin in Brazil, and the arid Central Desert of Australia—were virtually rendered uncolonizable by Nature, so that the total area which was effectively open to colonization in the overseas countries other than the United States was considerably smaller than would appear from a first glance at the map. At the same time, owing to the fact that the main current of European emigration had been directed, for a century past, towards the United States, a larger proportion of the land available for settlement had actually been occupied in the United States than in the lesser overseas countries by the time when the stream of European emigration began to flow again after the termination of the War of 1914–18; and this difference in the density of settlement up to date was reflected in a difference of outlook upon the immigration question. While the United States was restricting immigration, most of the lesser overseas countries were still welcoming it, and some of them were taking active steps to promote it, in the same spirit in which the United States had welcomed and promoted immigration during the period when her own reserves of undeveloped agricultural and pastoral land and of other natural resources had still seemed inexhaustible. It was natural, therefore, that, from the moment when the United States began to check the flow of immigration into her

territory, the current should be diverted to these lesser but also less densely populated countries of the same class.

For emigrants from North-Western Europe, the most obvious alternative destination to the United States was Canada—an adjoining country with the same language, similar institutions, and a climate which was not intolerably rigorous compared to that to which they had been accustomed at home. In the Middle Western provinces of the Dominion and the Middle Western states of the Union, conditions of life were practically identical. At the opposite extremity of the continent, Argentina offered a milder climate, in which Southern as well as Northern Europeans could thrive, combined with political and social conditions which could bear comparison with those of Canada and the United States. For emigrants from Latin countries, Argentina, with her Spanish language and Roman Catholic religion, provided a more familiar and more congenial environment than the English-speaking Protestant communities of North America ; and language, religion, and climate likewise favoured the settlement of Latin immigrants in Southern Brazil—a country which was as unattractive to Northern Europeans as Canada was to the Mediterranean peoples. The economic prospects of Southern Brazil as a coffee-growing, and eventually, perhaps, as a cotton-growing, country were promising : but, unfortunately, political and social conditions in Brazil at this time were so backward, as compared with the standards prevailing in South-West European countries, that immigrants from these countries were exposed to considerable hardships and disillusionments.

In Canada,[1] under the Immigration Act of the 6th June, 1919, the Governor-General in Council possessed extensive powers. He might

> prohibit or limit in number the landing in Canada of immigrants belonging to any nationality or race, by reason of any economic, industrial or other condition temporarily existing in Canada ; or because they were unsuitable, having regard to the climatic, industrial, social, educational, labour, and other conditions or requirements of Canada ; or because such immigrants were deemed undesirable owing to their peculiar customs, habits, modes of life, and methods of holding property, and because of their probable inability to assume the duties and responsibilities of Canadian citizenship within a reasonable time after the entry.

[1] The following facts are taken from *Emigration and Immigration : Legislation and Treaties*, published by the International Labour Office (Geneva, 1922). See also the Canadian Government Department of Immigration and Colonization, *The Immigration Act and Regulations* (Consolidation Act), Ottawa, September 1924.

However, as far as European immigrants were concerned,[1] the Canadian Government did not make wide use of these powers during the six years ending in December 1924. On the 9th June, 1919, two Orders in Council were issued prohibiting the landing of any immigrant belonging to the Dukhobor, Hutterite, or Mennonite communities and of immigrants who had been alien enemies during the recent War (not including those whose political allegiance to ex-enemy countries had ceased as a result of the redistribution of territory in the peace settlement). This second Order was afterwards withdrawn; and, while the Canadian Government gave a preference to British immigrants (for example, by offering to settlers coming direct from Great Britain a rebate of 20 per cent. on their passage-money),[2] they did not neglect to draw upon the resources of Continental Europe. During 1923, 1,400 Swiss immigrants entered the Dominion, and most of them settled on the land. Their migration was assisted by the Swiss Government with the co-operation of the Canadian Department of Colonization, and in 1924 a private organization was formed in Canada for promoting the further settlement of immigrants from Switzerland.[3] In the same year Mr. Egan, the Deputy Minister of Immigration, made a tour of inspection in Great Britain and on the Continent, where he reorganized the Dominion Immigration Bureaux. On the 21st December, 1924, the Minister of Immigration, Mr. Robb, speaking at Ottawa, surveyed the Continental field on the basis of Mr. Egan's report. It appeared that in France and Belgium there was considerable public interest in the possibilities of emigration to Canada, though in these two countries propaganda in favour of emigration was officially forbidden.[4] In the Netherlands, the prospects were good, and the Government was co-operating with the Canadian authorities.

> There was little prospect of German farmers coming to Canada, but Germany was willing that refugees of German descent in Germany should go to Canada. There was a prospect of German emigration from Danzig. I expect [the Minister continued] to secure farmer settlers from Hungary and Hungarian nationals in Rumania. I can look forward to a large immigration of the best agricultural type from Jugoslavia. Few farmers from Czechoslovakia are expected, but

[1] For the policy of the Canadian Government towards Oriental immigrants see Section (vi) below.

[2] See *The Times*, 12th January, 1924.

[3] *Ibid.*, 6th November, 1924.

[4] For a survey of official restrictions on the activities of emigration agents in a number of countries see *Emigration and Immigration*, Part I, Ch. VI (iii).

a number of farm labourers. Increased immigration is expected from the Scandinavian countries and Switzerland. Arrangements made with the Irish Free State permit of larger emigration to Canada. Our faith in the future, which some time ago permitted us to remove the restrictions from some parts of Northern Europe, encourages us to remove the restrictions which were in a more general way applicable in other Northern European countries.

During the years 1920–3 inclusive the actual figures of immigration into Canada were as follows : [1]

	1920.	*1921.*	*1922.*	*1923.*
From the British Isles . .	59,603	74,262	39,020	34,508
From other British Dominions	994	1,411	562	1,808
From the United States . .	49,711	48,169	29,412	22,039
From Continental Europe .	5,615	20,863	18,513	13,208
From elsewhere . . .	1,413	3,772	2,492	1,324
Total	117,336	148,477	89,999	72,887

The immigration policy set forth in this speech by a Canadian statesman presented a remarkable contrast to the contemporary policy of the United States. The fact was that during these years immediately following the War Canada had to find sufficient immigrants not only to carry on the progressive settlement of her undeveloped lands but to make good a formidable drain of emigration from her own territory into that of the United States. Owing to the fact that the United States had been less deeply involved than Canada in the War, her economic life had been less seriously deranged ; and, during the reconstruction period, the prospect of lighter taxation and greater prosperity tempted many Canadians to cross the border. It has been mentioned already that, at any rate in the region west of the Great Lakes, the general conditions of life in the two countries were so much alike that in this case migration involved none of the hardships of expatriation. Moreover, the ' Nordic ' farming population of the prairie provinces of Canada was precisely the stock which the United States wished to attract, and (as has been mentioned in a previous section) the Canadian immigrant was tenderly treated in both the Restriction Acts. Under the Act of 1921, one year's residence in Canada conferred the privilege of entering the United States as a non-quota immigrant ; and although under the Act of 1924 this privilege was withdrawn, persons born in Canada (that is, the stock which the United States most desired to attract and Canada to retain) were still left free to immigrate without any restriction whatsoever.

[1] These figures are taken from *The Canada Year Book*, 1922–3.

It will be seen that in respect of European immigration the problems of Canada and the United States were utterly different.[1] At the same time, the influence of the larger mass upon the smaller, which at this time was moulding the economic and intellectual life of Canada upon American lines, declared itself even in the field of immigration policy. Notwithstanding the apparent need of Canada for the increase and not the restriction of immigration from Europe, and notwithstanding the selective effect of the Canadian climate, which was an almost automatic safeguard against an undue preponderance of South European applicants for admission, the Government's immigration policy was criticized by a number of delegates at the Trade and Labour Congress held at Toronto in September 1924, and one delegate, Mr. Robertson, a former Minister of Labour, urged that, in respect of Southern Europeans, restrictions upon immigration should be introduced.[2]

Already, however, the South-Western branch of the stream of European emigration was being diverted, or rather rediverted, to the Latin-American countries, as can be observed in the case of Italy—the country from which the majority of South-West European emigrants were derived.

> Whereas, down to the year 1899, the Italian emigration to the United States had been surpassed by that to Brazil and in some periods also by that to Argentina,[3] in the following years there was a decisive increase in the emigration to the United States, which, in the period 1901–14, absorbed two-thirds of the Italian emigrants to the Americas.[4]

During the fifteen years 1900–14 inclusive the average annual contingents of Italian emigrants to Canada, the United States, Brazil, and Argentina respectively were 9,145, 228,010, 28,974, and 68,412,[5] that is, 237,155 to the Anglo-American and 97,386 to the Latin-American countries. On the other hand, during the three

[1] The problem of Oriental immigration into Canada, which was substantially identical with the problem in the United States, is dealt with in Section (vi) below.

[2] See *The Times*, 20th September, 1924.

[3] e. g. during the five-year periods mentioned below, the respective annual averages had been as follows, according to Table IV in *Le Statistiche del l'Emigrazione Italiana* (*L'Emigrazione Italiana*, No. 7, Rome, 1924).

	To the United States.	*To Brazil.*	*To Argentina.*
1885–9 . . .	27,001	33,955	51,972
1890–4 . . .	43,339	49,609	30,249
1895–9 . . .	51,574	64,194	42,375

[4] *Op. cit.*, pp. 28–9.

[5] *Op. cit.*, Table IV.

years 1921–3 inclusive, during all but six months of which the United States Restriction Act of 1921 was in operation, the annual averages were as follows: 5,148 to Canada, 53,624 to the United States, 10,479 to Brazil, and 67,365 to Argentina—that is, 58,772 to the Anglo-American and 77,844 to the Latin-American countries. In other words, the stream of Italian emigration was returning to an earlier, and in many respects a more natural, channel. The same process of diversion is illustrated, over a wider field, by the following table [1] showing the immigration into the Argentine Republic by nationalities during the four years 1920–3:

	1920.	*1921.*	*1922.*	*1923.*
I. *North-West Europeans.*				
Belgians	274	305	375	146
British	3,601	3,897	3,330	860
Danes	610	608	775	626
Dutch	247	244	359	138
French	2,987	2,757	2,848	1,545
Germans	3,243	4,852	7,414	10,138
Norwegians	134	96	203	54
Swiss	650	807	859	751
Swedes	252	245	163	126
II. *South-West Europeans.*				
Italians	33,893	41,113	58,970	91,992
Portuguese	903	1,189	1,732	2,873
Spaniards	41,972	41,481	44,758	48,430
III. *East Europeans.*				
Armenians	39	96	141	602
Austrians	651	561	644	2,039
Bulgarians	25	41	1,094	832
Czechoslovaks	133	245	602	5,290
Greeks	141	156	104	402
Hungarians	122	101	296	322
Jugoslavs	493	422	566	2,598
Lithuanians	—	—	82	266
Poles	274	2,419	5,063	9,938
Rumanians	240	923	630	1,487
Russians	456	333	508	2,990
Syrians	2,428	1,512	1,508	4,651
Turks	325	165	204	1,613
Ukrainians	—	143	1,181	1,317

In the above table, the rise in the numbers not only of Italians but of other South-Western and Eastern Europeans is very noticeable, whereas the figures for North-West Europeans show actual decreases or very slight increases, with the single exception of the

[1] The figures from which this table has been compiled were supplied by the courtesy of the Argentine Legation in London. In reproducing them, the items for a few countries from which the number of immigrants was negligible have been omitted and the remaining nationalities have been grouped under regional headings.

Germans. If this tendency was the consequence of the United States Restriction Act of 1921, it was likely to be accentuated by the Act of 1924, which cut down the annual quota for Italian immigrants into the United States from 42,057 to 3,845 and differentiated sharply against all South-West and East European immigrants as compared with those from North-Western Europe.[1] As early as April 1924, when it was evident, although the Bill had not yet passed into law, that the Italian Government's protest against it would be unavailing, the Italian Emigration Office was reported to be already making plans for systematically diverting the stream of Italian emigration to Argentina.[2] In the following summer the Crown Prince of Italy paid a visit to Buenos Aires, and he was followed by an Italian Special Ambassador, Signor G. Giurati, who arrived in a warship carrying a floating exhibition of the products of Italian industry and art. During the same year, the two Governments discussed the question of mutually raising their respective diplomatic representatives from ministerial to ambassadorial rank.[3]

The Argentine Government, on its side, was giving close attention to the subject of immigration. In the latter part of the year 1923 the President sent to Congress a project for a new law of citizenship and nationalization [4] to replace the existing legislation, which was more than half a century old. This Bill laid it down (Art. 2) that foreigners might obtain certificates of Argentine citizenship provided that they had resided in the Republic during two consecutive years of the three immediately prior to the date of their application ; that they were of good character ; and that they could speak Spanish and read the Argentine Constitution. In the case of certain enumerated categories of foreigners who had performed special services to the country or who possessed special claims of other kinds, the term of residence requisite was to be reduced to one year (Art. 3). Argentina, however, like Canada, was sensitive to the influence of the United States, and in June 1924, a few weeks before the second United States Restriction Act entered into operation, a project for selective legislation in regard to immigrants

[1] The difference between the quota figure of 42,057 and the actual annual average of 53,624 for the three years 1921–3 was due partly to the fact that the Act of 1921 did not come into operation until half that year had passed, and partly to the admission of Italians as non-quota immigrants under various heads.

[2] See *The Times*, 21st April, 1924.

[3] *Ibid.*, 16th August, 1924.

[4] For an English translation of the text of this Bill see the *Bulletin of the Pan-American Union*, April 1924.

was announced in a Presidential Message to the Argentine Congress.[1]

The effect of the United States legislation was likewise felt in Brazil. It was reported[2] that, during the first four months of 1924, Brazil had received three times as many immigrants as during the corresponding months of the previous year. In March, the Government hostel for immigrants, situated on an island in Rio de Janeiro harbour, was filled to overflowing and additional accommodation had to be provided. During these particular months, the largest contingents of immigrants to Brazil came from Germany, Poland, and Czechoslovakia, but the principal European source to which Brazil had to look was Italy. As early as 1920, negotiations had been started in Rome between the Italian and Brazilian Governments for the conclusion of an emigration and labour agreement, and on the 11th October, 1921 (that is, rather less than five months after the approval of the first United States Restriction Act), an Italo-Brazilian Treaty[3] was signed which laid down the standards to be observed in regulating Italian emigration to Brazil and the treatment of the emigrant workers. The Treaty was preceded by a declaration by which the two States reserved to themselves the right to negotiate a general emigration and labour treaty for the benefit of their respective nationals. The main points of the Treaty were as follows :

(1) Equality of treatment between the subjects of the two contracting parties as regards industrial accidents, without residential or other conditions.

(2) Recognition by the Brazilian Government of labour contracts, whether individual or collective, concluded in Italy by Italian workers and to be carried into execution in Brazil, in so far as they were not contrary to public regulations.

(3) Recognition by the Federal Government of Brazil of agreements which were or might be entered into between Italy and individual Brazilian States.

(4) The obligation of the Federal Government of Brazil to watch over the execution of labour contracts concluded between employers and workers, and to be responsible for the protection and best possible placing of Italian immigrants.

The Brazilian Government also undertook to facilitate the organization and working of producers' co-operative societies,

[1] See the *Corriere della Sera*, 22nd June, 1924.
[2] See *Le Temps*, 4th May, 1924.
[3] For a précis of this instrument see *Emigration and Immigration*, pp. 351–2, from which the following passages in the text are quoted.

credit societies, mutual aid societies, provident societies, &c., formed by Italian agricultural workers, as also the work of properly constituted Italian societies formed in Brazil for the benefit of Italian immigrants. The most favoured nation principle was embodied in Section 6, according to which " Italian immigrants shall enjoy all present or future facilities, advantages and privileges granted to immigrants from other countries ".

A short time before the signature of this Treaty, the Italian Government Emigration Office came to an agreement with two associations of planters (*fazendeiros*) in the State of Sao Paulo (Brazil) regarding the terms of a model contract for Italian agricultural workers taken to Sao Paulo.' Upon the arrival of the settlers at Sao Paulo, the Italian consular authorities on the spot were to supervize the transference of their contracts to the proprietors of the respective plantations (*fazendas*) on which they were to work and to control the rates and dates of payment. The settlers were to be entitled to raise produce of their own, and the *fazendeiros* were to give them facilities for marketing it. Stipulations were made for standards of housing and for medical attendance practically free of charge. ' The inviolability of the settler's home was expressly guaranteed, except in the case of crime, offence or danger to public health. The planters were to open free schools for the settlers' children, in which the teaching of Italian and of the history and geography of Italy were to be compulsory. The Italian consuls, or their substitutes, and the agents of Italian societies recognized by the Government of the State of Sao Paulo were to have free access to the plantation in order to verify that the contract was being faithfully observed. Disputes as to the execution of the contract were to be submitted to the consul, who was to settle them through a deputy sent to the spot. Contracts transferred to private planters were to be examined every year, from the point of view of remuneration, by the president of the association of planters and the Italian consul, or their substitutes.' A similar form of contract was drawn up for direct recruiting by individual planters.

The Italo-Brazilian Treaty was ratified by both parties in the course of the year 1922 ; but, in reviewing the agreements between the Italian Emigration Office and the two private planters' associations, ' the State of Sao Paulo refused to ratify the clauses relating to the inviolability of the residence of the colonists, to the rights of Italian consular authorities, and to Italian schools.' This was

not surprising, since the effect of these clauses would have been to invest Italian consuls in Sao Paulo with extra-territorial jurisdiction of the kind familiar in the Levant and the Far East under the régime of the Capitulations, and thus to create something like an Italian *imperium in imperio* on Brazilian soil. On the other hand, the actual experiences of Italian emigrants who went to Sao Paulo during the next two years, under the auspices of the Italian Emigration Office, with contracts based on this agreement, indicated that the original conditions, however excessive from the point of view of the Brazilian State and Federal authorities, were still inadequate for the protection of the Italian settlers. For example, a group of families from the Bergamo district, which emigrated to Sao Paulo on the 11th January, 1923, under contracts with one of the two planters' associations in question, subsequently petitioned to be repatriated, although their contracts had received the approval of the Italian Emigration Office and clearly specified the conditions of employment, besides providing for free medical assistance and instruction in Italian schools.[1]

In 1924, an Italian observer in Sao Paulo, Signor Luciano Magrini, published in the Italian press a long and telling exposure of the conditions under which the emigrants lived on the *fazendas*.[2] 'The coffee plantations', he wrote, 'are removed from all possibility of control by the immense distances and the systematic subservience of the local authorities to the *fazendeiros*.' According to his report, the minute provisions of the contracts were all evaded in practice; any genuine modification in the existing conditions would be opposed by both the planters and the State Government: labour legislation was non-existent. The prohibition of payments in advance to prospective immigrants—a prohibition which had been introduced fifteen years previously by the Italian Government after the bad conditions on Brazilian plantations had been revealed by an Italian official inquiry—was evaded by underground recruiting organizations which the Brazilian planters maintained in Italy. The Italian immigrants who came to Sao Paulo under such agreements, or even with contracts approved by the Emigration Office, 'protest, after the first bitter experiences, that they have been deceived. Some

[1] See the *Corriere della Sera*, 4th November, 1924, for a précis of a communiqué from the provincial Emigration Office of the *Società Umanitaria*, by whom the contracts had been negotiated at the instance of the General Emigration Office.

[2] Three of his articles were published in the *Corriere della Sera* of the 14th November, 18th November, and 14th December, 1924.

suffer and adapt themselves; others run away, apply to the Consulate, and demand repatriation, or else, after a year of tribulations, embark for Argentina in search of better fortune; others resign themselves, to swell the numbers of the urban proletariat in Sao Paulo City.' While, according to the local immigration authorities, 4,973 Italians entered the State in 1922, it was also recorded that 4,864 Italians left it in the same year, and the stream of immigration from other countries was dwindling at the same time.

In spite of these adverse reports, a migration agreement was negotiated between the Italian Government and the State of Sao Paulo during the summer and autumn of 1924 through the intermediation of a *fazendeiro* of Italian origin, who visited Italy for the purpose. In this instrument, the terms of the original agreement of 1921 between the Italian Emigration Office and the planters' associations were reproduced, with the additional provision that the execution of the terms should be supervised by a mixed Italo-Brazilian Commission. Signature, however, was delayed by objections on both sides. The Brazilian Federal Government disliked a most favoured nation clause (referred to the Federal Authorities by the State Government of Sao Paulo) to which the Italian Government attached importance, while in Italy public opinion was dissatisfied with the attempts of the Government to look after the emigrants' interests and was unwilling to see further official agreements made until the condition of the Italian settlers already in Brazil had been thoroughly explored. Thus, at the close of the year, the conclusion of the agreement appeared improbable.

In addition to Canada, Argentina, and Brazil, there were four other overseas countries in which European emigrants might have found an alternative to the United States, namely Chile, New Zealand, Australia, and South Africa. However, for various reasons none of these countries played an important part in this respect during the period under review. Chile and New Zealand were not only small countries but were both particularly remote from Europe. In South Africa, the situation was complicated by the Colour Problem, which threatened to close the field to unskilled White labour.[1] Finally, in Australia immigration had long been a burning question of internal politics in regard to which no national consensus had yet

[1] See *The Times*, 29th September, 29th October, and 4th November, 1924; and J. W. Gregory, *op. cit.*, Ch. V.

been reached.[1] The official figures[2] for the four years 1920–3 inclusive were as follows :

	1920.	*1921.*	*1922.*	*1923.*
British	84,333[3]	76,518	84,263	85,440
Other nationalities[4]	8,472	8,426	11,355	10,285
Total	92,805	84,944	95,618	95,725

There were a number of agreements between the Australian and the British Governments for the encouragement of British settlement on the land in Australia ; and in January 1924 a conference between the Australian Federal and State authorities was held in Melbourne ' for the purpose of unifying and extending the arrangements for settlers, particularly from Great Britain '.[5] Up to that date the great majority of immigrants to Australia had come from the British Isles, though the annual contingent of Italians was relatively important during the three years 1921 to 1923, during which it averaged 1,968.[6] The beginnings of a differential restriction policy were made by the introduction of a quota system for Jugoslav, Greek, and Albanian nationals, not more than 100 immigrants of each of these nationalities being permitted to land in Australia in any one month. Armenians, Palestinians, and Syrians, as well as ex-enemy aliens[7] and Russians, were excluded altogether—subject to the reference of special cases to the Commonwealth Minister for Home and Territories for his consideration and decision.

(iv) The Internal Colonization of France.

In the preceding section, some account has been given of the effect of the United States Restriction Acts in diverting the stream

[1] See the Australian Parliamentary Paper, *The Immigration Act 1901–20* (Consolidation Act) (c. 3045), assented to on the 2nd December, 1920.

[2] Supplied by the courtesy of the Official Secretary, Australia House, London. See also *The Times*, 8th January, 1924, which gives the number of immigrants who entered Australia in 1920 as 9,000, and the number in 1923 as 26,500.

[3] Excluding 11,546 returned troops and nurses.

[4] Including former residents in Australia returning from visits abroad, and also persons admitted temporarily and not for permanent settlement.

[5] See *The Times*, 8th January, 1924.

[6] See *Le Statistiche dell' Emigrazione Italiana*, Table XI.

[7] The exclusion of ex-enemy aliens was enacted for a period of five years from the coming into force of the Consolidation Act of 1920. This exclusion notwithstanding, German business men wishing to visit Australia for the purpose of transacting business might be granted authority, by the Commonwealth High Commissioner in London, to proceed to Australia for a limited period, not exceeding six months.

of European emigrants from the United States to other countries overseas. A further effect of the same legislation was to diminish the emigration from Europe to the overseas countries as a whole and relatively to increase the movement of population from one European country to another.

Here, again, the best index is given by the Italian emigration figures. During the five years 1910 to 1914, out of an average annual total of 649,703 Italian emigrants, 369,605 on the average had gone to American countries and 269,965 to countries in Europe. On the other hand, during the three years 1921 to 1923, out of an average annual total of 290,839, as many as 143,377 went to European countries and only 139,823 to the American Continent. Thus the relative volumes of the two main streams were reversed, but the full measure of the change only becomes apparent after an analysis of the different branches into which the European stream was divided. During the years 1910 to 1914, out of the average annual total of 269,965 emigrants from Italy to other countries in Europe, 82,060 on the average had gone to Switzerland, 66,242 to Germany, 31,769 to Austria, 6,850 to Hungary, 3,637 to the British Isles, 69,995 to France, and 2,785 to Belgium and Luxembourg. On the other hand, during the three years 1921 to 1923, out of the average annual total of 143,377 emigrants from Italy to other countries in Europe, only 8,330 on the average went to Switzerland, 1,495 to Germany, 4,550 to Austria, 383 to Hungary and Czechoslovakia, and 1,464 to the British Isles, whereas 104,076 went to France and 15,707 to Belgium and Luxembourg. In other words, the average annual total of Italian emigrants to European countries had fallen to almost half the pre-war figures and the contingents to all but two countries had dwindled to a fraction of their former strength, and yet the contingents to France, Belgium, and Luxembourg had increased not only relatively but absolutely—that to France by nearly 50 per cent. and that to Belgium and Luxembourg by nearly 600 per cent. Nor was this increase of immigration into France from Italy an isolated phenomenon. The immigration from Poland was even more remarkable. In June 1924 it was reported that there were 400,000 Poles employed in the devastated areas of France, partly as unskilled labourers engaged in the work of reconstruction, but principally as miners. Indeed, more than 20 per cent. of the total wages bill for miners in France at this time was apparently being paid out to miners of Polish nationality. There were also 50,000 Poles working on the land, and

an unspecified number employed in factories. These figures [1] are astonishing when it is remembered that there was practically no immigration into France from Poland before the War. On the 30th June, 1924, *The Times* published the following report from its correspondent in Paris :

> There are to-day 2,000,000 foreigners on French soil, representing some 32 different nationalities. Their number is computed to be increasing by 600,000 to 700,000 a year, which is a figure considerably in excess of the annual growth of the French population. Yet there is no unemployment in the towns, and the agricultural districts are in urgent need of manual labour for the cultivation of the land.

The writer of the present survey received first-hand confirmation of the last statement of this report in February 1925 from the owner of an agricultural estate in Normandy, who told him that he was finding skilled artisans almost impossible to obtain ; that he would be unable to cultivate his home farm without the assistance of Polish and Czechoslovak labour ; and that his tenant farmers were in the same position. This meant that France had become one of the principal focuses of immigration in the world, and when the Conference on Emigration which met at Rome in May 1924 [2] organized its committees, the French delegates duly took their place as representatives of a ' country of immigration ', alongside of their colleagues from the United States and Argentina.[3]

This influx of European labour into France during the six years immediately following the War succeeded the influx of Oriental labour which had been so striking a phenomenon of the War period, and both movements were partly due to temporary conditions. During the War, the man-power of France had been absorbed by the army ; immediately after the War, the pressing task of reconstructing the devastated areas created an abnormal demand on the French labour market. Had there been no other cause of a more permanent nature to account for the immigration into France during these years, it would hardly have been a fact of historical importance. Actually, however, such a cause was at work in the decline of the birth-rate, which, although sharply accentuated by the War, had set in before the War began and showed little sign of abating after it was over. This falling birth-rate, in combination with a normal death-rate which was relatively high compared with that of contemporary England and Wales and with the abnormal

[1] The above figures are taken from *L'Europe Nouvelle*, 14th June, 1924.
[2] See Section (v), pp. 123–7, below.
[3] See the *Corriere della Sera*, 17th May, 1924.

casualties of the War, had brought the population of France down from 41,476,272 in 1913 to 39,209,518 in 1921 ; [1] and, if this general fact was grave, the detailed study of depopulation in particular rural districts gave results which were, if possible, more alarming.[2] It will be seen that in France, at this time, the future of the foreign immigrants was a question of supreme national importance. Were these immigrants to re-emigrate or to remain permanently in the country, and, if they remained, would it be possible to assimilate them ?

Evidently this question could only be answered in the light of some years' experience, and in the meantime the French Government took a statesmanlike course in arranging that the influx of European labour, as to the necessity of which, during the reconstruction period, there could be no dispute, should take place under the best possible conditions. Internal legislation and administrative action [3] was, therefore, supplemented by the negotiation of diplomatic agreements with the Governments of the principal countries from which the immigrants were being drawn. These instruments were the Franco-Polish Emigration and Immigration Convention of the 7th September, 1919 ; the Franco-Italian Convention of the 30th September, 1919 ; and the Franco-Czechoslovak Convention of the 20th March, 1920, all of which were based on the same principles.[4]

The Franco-Polish Convention [5] was concluded in order to

[1] See *The Times*, 30th June, 1924.

[2] See a statement, made at the first meeting of the Society for Foreigners in France, by M. de Monzie, Senator for the Department of the Lot (reported in *The Manchester Guardian*, 23rd February, 1924) ; and another statement, made at a meeting of the French Society of Political Economy, by M. Joseph Barthélemy, regarding the Departments of Gers, Gironde, Lot-et-Garonne, and Landes (reported in *The Times*, 20th November, 1924).

[3] In *Emigration and Immigration*, p. 311, the following decrees are cited for the period between the beginning of the War and the 31st August, 1922 :

Decree of 2 April, 1917, concerning foreign workers.

Interministerial Decrees of 5 and 25 August, 1919, concerning the control of immigration.

Interministerial Decree of 18 July, 1920, establishing a Permanent Immigration Commission.

Circular of the Minister of Agriculture dated 13 September, 1920, addressed to the Presidents of Departmental Offices of Agriculture concerning the operation of the Agricultural Labour Service.

Decree of 18 November, 1920, concerning foreign workers.

Bill introduced by M. Edmond de Warren and others concerning the establishment of an Immigration Office (Chamber of Deputies, 1921).

Decree of 6 June, 1922, superseding Decree of 18 November, 1920.

[4] See an article by B. Nogaro in *La Revue Politique et Parlementaire*, Paris, 10th October, 1920.

[5] See the *précis* in *Emigration and Immigration*, pp. 338–41. This instrument was supplemented by a second convention signed on the 14th October, 1920.

guarantee all administrative facilities to nationals of each of the two countries before their emigration to the other country and in regard to their repatriation, and in order to authorize the recruiting of bodies of workers in one of the two countries for the benefit of undertakings situated in the other country. The essential principles laid down by the convention were the following :

(1) Explicit provision for complete equality of treatment for immigrant workers and nationals in regard to conditions of labour, wages, protection, accidents, &c.

(2) Freedom of immigration and emigration from one country to the other, subject to justifiable restrictions due to the conditions of the labour market or to sanitary laws.

(3) Annual determination of the number and category of workers who might be recruited collectively ; the institution for this purpose of a commission meeting alternately at Paris and at Warsaw at least once a year, to which each of the two Governments must submit the opinions of a consultative committee comprising delegates of the departments concerned and representatives of employers and workers.

(4) The recruiting of bodies of workers to be effected exclusively through the public employment exchanges, with the addition of an official commission or of representatives of employers charged with the conduct of the medical examination or the examination of workers as to their capacity before their departure.

(5) The placing of workers who had a contract of employment to be subject to the proviso that this contract should be in conformity with the principles established by the convention. . . .

The labour contracts proposed by the employers and the applications for workers presented by them were to be in conformity with model contracts and model applications drafted by agreement between the two countries. A copy of the demand was to be submitted for the *visa* of the competent department of the country in which the workers were to be employed and transmitted by the said department to the corresponding department of the country in which the workers were being recruited. The *visa* was not to be given unless the conditions of the contract were in conformity with the principles of the convention and unless proper provision could be made for the housing and feeding of the workers and also unless the demand for labour justified the recruiting of such foreign labour. The regulation of the volume of migration according to the state of the labour market was provided for as follows :

If the condition of the labour market at certain times, in certain areas, and in certain trades, renders it impossible to find employment for immigrants who come separately and on their own initiative to seek work, the Government concerned shall at once warn the other Govern-

ment through the diplomatic channels, and the latter Government shall, in turn, inform its nationals. If this notification fails to produce the desired result, the contracting parties shall by agreement adopt other effective measures (Art. 10).

'All complaints formulated by foreign workers concerning the labour or living conditions imposed by their employers or concerning difficulties of any kind which they might experience owing to the fact of their living in a foreign country were to be addressed or transmitted to this department either directly or indirectly through the medium of the proper consular authorities. These complaints might be submitted in the native language of the workers concerned.' An additional protocol stipulated that, 'within three months following the exchange of ratifications of the convention, a special convention should determine the conditions subject to which French workers in Poland and Polish workers in France should be entitled to benefit by relief, insurance, and social welfare legislation and should be able to exercise trade union rights and the right of association in conformity with the national legislation of each of the contracting parties. This special convention was signed at Warsaw on the 14th October, 1920.' The main convention of the 7th September, 1919, contained a most favoured nation treatment clause, in virtue of which the Polish immigrants into France secured the greater benefits accorded to Italian workers in France under the Franco-Italian Convention of the 30th September, 1919.

As regards the Franco-Italian Convention, it will perhaps be sufficient to draw attention to one or two conspicuous features. This instrument went beyond the Franco-Polish Convention in making provision for the social welfare, relief, and protection of workers of either nationality in the territory of the other on a basis of absolute equality in respect of statutory regulations. In this field a groundwork already existed in the Franco-Italian Convention of 1906 relative to industrial accidents. ' In regard to the acquisition, possession, and transmission of small rural or urban properties, immigrants were to have the same rights and privileges as nationals, excluding, however, privileges granted as a result of war and with reservations regarding provisions of Acts concerning the residence and settlement of foreigners. The two Governments, taking note of the fact that equality of treatment was already sufficiently realized in the question of public elementary education and private schools, reserved the right to negotiate a special convention on primary and vocational education for immigrants and their families.'

Disputes regarding the application of the convention were to be settled by arbitration (Art. 26), whereas the Franco-Polish Convention (Art. 16) had left them to be settled by diplomatic negotiation. In view of the controversy over the status of Italian nationals in Tunis,[1] it is significant that the convention did not apply to colonies and protectorates, though the two Governments undertook to enter into negotiations for the purpose of concluding special conventions applicable in this field.

The Franco-Czechoslovak Convention of the 20th March, 1920, was modelled on the Franco-Polish Convention, and it is only necessary to notice one or two important differences.[2] The most favoured nation treatment clause and the provision for forwarding complaints through consular officers were omitted. On the other hand, the government departments concerned in either country were, if necessary, to appoint inspectors speaking the immigrant workers' language, and in France a Czechoslovak interpreter for every hundred Czechoslovak workers was to be provided at the employer's expense (Art. 6). Health insurance, which was compulsory in Czechoslovakia but not in France at this time, was also provided for (Art. 7). As under the Franco-Polish Convention, the recruiting of labour in either country for service in the other was reserved exclusively to the government departments, and any contracts obtained direct by employers or their agents, and not through the official channels, were to be null and void.

It has been mentioned that in Luxembourg and Belgium the increase in the rate of Italian immigration after the War, as compared with the five years 1910 to 1914, was even greater than in France ; and, in view of this, the Governments of Luxembourg and Italy signed, on the 11th November, 1920, a treaty [3] on the lines of the Franco-Italian Convention of the 30th September, 1919. ' Like the Franco-Italian Convention, the treaty between Italy and Luxembourg contained no clause authorizing one of the two parties to recruit workers in the territory of the other by means of official missions.' On the other hand, it resembled the Franco-Polish Convention in including a most favoured nation treatment clause, and the Franco-Czechoslovak Convention in regard to the forwarding of complaints. ' Immigrant workers were authorized to submit in

[1] See the *Survey for 1925*.
[2] For a fuller *précis* of the differences, see *Emigration and Immigration*, pp. 346–7.
[3] *Précis* in *op. cit.*, pp. 347–9.

their native language complaints or demands which they might have to formulate in regard to labour conditions and living conditions or difficulties of any kind which they might experience in the country of immigration. It was also provided that Italian workers working in Luxembourg might appoint from among their comrades a representative to explain their demands in regard to labour conditions either to employers or to the authorities to whom the supervision of labour was entrusted ; and both employers and authorities were to afford the said representative every facility for the accomplishment of the task entrusted to him. In the Franco-Italian Treaty this right to appoint a representative was limited to workers employed in mining operations. The treaty dealt particularly with the question of education. It recognized that immigrants should have the same right as nationals to be admitted to public elementary and technical schools, and the benefit of arrangements or financial assistance for the purposes of education, and that they should be able to establish additional schools or classes intended specially for the teaching of their mother tongue.'

Admirable as these international agreements were,[1] it was not to be expected that they could altogether eliminate the friction which would naturally be produced by an inherently difficult situation. The foreign workers appear to have been unpopular in France, while on their side they were not altogether satisfied with the treatment which they received. Accordingly, fresh negotiations [2] were opened between the French and Polish Governments on the 25th March, 1924, with a view to modifying the existing conventions in the light of the experience that had been gained of their practical working. The French Government undertook to cancel an administrative regulation [3] under which the French public authorities had been empowered to arrest any Polish agricultural labourer convicted of breach of contract and to require him either to return to his employer or to quit French territory—a regulation to which the Poles objected as leaving them without protection against bad employers and as reducing their status to virtual slavery. The negotiators also discussed the organization of Polish schools in

[1] For the sake of completeness, mention may be made of the Austro-Polish Agreement, signed at Cracow on the 24th June, 1921, for the recruiting of Polish workers to be employed in Austrian agriculture, and of the German-Czechoslovak Agreement of February 1922, in which account had to be taken of the depreciation of the German currency. (For *précis*, see *op. cit.*, pp. 347 and 349–51 respectively.)

[2] See *Le Temps*, 30th April ; *L'Europe Nouvelle*, 14th June, 1924.

[3] Circular No. 53 (23rd June, 1922) of the Ministry of the Interior.

France, and the French Government appears to have conceded that the children of Polish immigrants should receive instruction in their national language as well as in French. The French employers' organizations were to arrange and maintain Polish classes in places where there were more than 65 Polish children, and the teaching staff were to be supplied by the competent Polish authorities.

By this time the immigration problem was being actively discussed in France, and the discussion was revealing acute differences of opinion. One party regarded the immigrants as a national danger, and in the summer of 1924 there was a Bill before the French Chamber of Deputies for imposing upon foreign residents in France direct taxation equal to that paid by Frenchmen and also imposing a special tax upon French employers who employed foreign labour when French labour was available.[1] A few months later the Ministry of the Interior was reported to be considering measures for subjecting immigration to stricter control and supervision.[2] Another party regarded the foreign workers in France as a potential national asset, and urged that they should be encouraged to settle permanently in France when their contracts expired.

> Could such people be assimilated ? America showed they could, but there was no need to go to America. For instance, of the population of Marseilles only 40 families were of pure French descent, the rest were Italian, Greek, Spanish, all nationalities ; yet Marseilles was one of the largest, most prosperous, and most patriotic communities of France.[3]

Against this optimistic forecast were to be set certain statistics, prepared by the Prefect of the Seine Department, which apparently showed that only a very small proportion of the sons of foreigners settled in France exercised their option of adopting French nationality upon reaching the age of 21. No doubt they were deterred by the prospect of compulsory military service in the French army, and yet the desire to maintain, if not to increase, the military strength of France was ' the foundation of French concern in the growth of the population '.[4] The France of 1924, exhausted by a devastating war and burdened by a peace settlement which had left her with increased military commitments, was confronted with the problem that had troubled Rome in the age when Augustus, with an Italian

[1] See *The Times*, 30th June, 1924.
[2] *Ibid.*, 9th October, 1924.
[3] Quoted in *The Manchester Guardian*, 23rd February, 1924, from an address delivered by M. de Monzie, Senator for the Department of the Lot, to the Society for Foreigners in France at its first meeting.
[4] *The Times*, 30th June, 1924.

country-side depopulated by the Civil Wars, had been forced to provide for the defence of the Rhine Frontier. Augustus, struggling with a falling birth-rate in the citizen-body and finding himself unable to arrest the fall by social and fiscal legislation, had sought an alternative source of man-power in the wholesale enfranchisement of alien populations ; and this policy, which he bequeathed to his successors, postponed the military and political downfall of the Roman Empire for several hundred years. Despairing of his nation's fertility, the Roman statesman had put his faith in her genius for assimilation, and that faith was justified by the event. Would French statesmanship venture upon the same daring course ? In 1924 this was perhaps the most important political question which Frenchmen had to consider ; for on the answer which they gave to it would perhaps depend the solution of the Security Problem, which at this time eclipsed all other problems in the French national consciousness.

(v) The International Conference on Emigration and Immigration held in Rome, on the 15th–30th May, 1924, on the invitation of the Italian Government.

It will have become apparent that no European country had so great a material stake as Italy in the emigration problem, and it is therefore not surprising that, towards the close of the year 1923, the Italian Government should have taken the initiative in organizing an international conference on the subject. In character this conference was to resemble the Naval Conference which was organized by the Italian Government in the course of the same year.[1] It was to be technical, not diplomatic, and its work was to result not in the signature of conventions but in the establishment of general principles which might serve as bases for general international conventions, or for conventions between individual states, which Governments might eventually conclude, or for direct agreements between the administrative services in the various countries.[2] The agenda suggested by the Italian Government were as follows :

(*a*) Transport of emigrants.
(*b*) Hygiene and sanitary services.

[1] See I A (viii), pp. 77–80, above.
[2] See the circular from the International Labour Office to certain States Members of the International Labour Organization, quoted in the *Official Bulletin*, vol. viii, No. 20, p. 194.

(*c*) Co-operation between emigration and immigration services of different countries.
(*d*) Private aid associations for emigrants in the ports of embarkation or immigrants in the ports of disembarkation, and for immigrants already arrived in the country ; special assistance for women and children.
(*e*) Assisting emigrants to satisfy the demand for labour in countries of immigration ; means to be adopted for this purpose (information services concerning the labour markets, employment facilities, settlement undertakings).
(*f*) Development of co-operation, social insurance, and mutual aid among emigrants.
(*g*) Principles to which emigration treaties should conform.[1]

The invitation of the Italian Government was accepted by the Governments of fifty-nine countries,[2] including the United States, as well as by the President of the Council and the Secretary-General of the League of Nations.[3] The question arose whether the conference might possibly encroach upon the sphere of the International Labour Organization ; but in October 1923 the Governing Body of the International Labour Office decided that this would not be the case and authorized the Director to hold at the disposal of the conference the information in the possession of the Office.[4] The conference, which met in the Palazzo dei Conservatori on the 15th May, 1924, opened with a speech [5] from Signor Mussolini.

> Emigration —that marvellous source of wealth which, by a natural law of equilibrium, is inevitably destined to be transfused from countries rich in population to those in which the richness of the soil, the treasures of the subsoil, and the development of industry demand a quantity of human labour greater than that which their populations can provide— cannot be regarded as a commodity. It ought to find outlets that are dignified and fairly remunerated, a separation from home that is less painful, and a life that is less hard than elsewhere, in these countries of immigration where the emigrant, as far as is possible and equitable, enjoys the benefits that are accorded to the native workers of the country, besides sharing with them the toils of labour. . . .
>
> I do not delude myself into believing that your labours can be more fruitful than reasonably can be expected. The conditions of the world market are propitious to the ascendancy of restrictionist tendencies, and it does not lie in your power to modify this state of affairs. Yet, since this state of mind among certain peoples cannot be permanent, and since the economic life of the world displays a tendency towards a constantly increasing adjustment, it seems opportune that at this time

[1] *Loc. cit.*
[2] See the *Corriere della Sera*, 16th May, 1924.
[3] *League of Nations Monthly Summary* for April 1924 (vol. iv, No. 4).
[4] International Labour Office, *Official Bulletin*, vol. viii, No. 20 (14th November, 1923).
[5] Text in the *Corriere della Sera*, 16th May, 1924.

there should be sown the seed of all these more precise and larger understandings between the peoples on the fertile field of labour.

The occasion was also marked by speeches from M. Fontaine (France), the Chairman of the Governing Body of the International Labour Office, and Señor Guani (Uruguay), the President of the Council of the League of Nations, and by the presence, as official representatives of their respective countries, of Mr. Henning, United States Under-Secretary for Labour, and Señor le Breton, Argentine Minister of Agriculture. At the next sitting, Signor de Michelis, Italian Commissioner-General for Emigration, was elected president of the conference on the motion of the United States delegate,[1] and four committees were set up, to deal respectively with transportation and hygiene, assistance to emigrants, collaboration in the finding of employment for immigrants, and emigration and immigration treaties.[2]

The resolutions reported to the plenary conference by the first three committees were almost entirely non-controversial, but in the fourth committee an important question of principle was raised in a debate on the legal definition of the term 'immigrant'.[3] In opposition to Italy, the countries of immigration desired to define an immigrant as an individual who enters a country with the intention of settling there permanently, thus excluding from the definition those settling only temporarily, who would then be placed in the category of 'alien workers'. On this interpretation of the term, the other countries represented on the conference were able to accept an Italian resolution embodying principles which were to constitute a future 'international statute' of the worker abroad—'the Emigrant's *Magna Carta*'. According to this statute,[4] liberty of emigration and immigration was to be the rule, while restrictions were to be regarded as exceptional measures for the purpose of guarding against the penetration of a country by undesirable foreign elements or against the influx of foreign workers in numbers beyond the powers of absorption of the local labour market. At the same time, in the regulation of immigration, the principle was to be recognized that members of the family of a worker who had already immigrated himself must be admitted into the country of immigration, unless there were some motive for excluding them on personal

[1] *Ibid.*, 17th May, 1924.
[2] *Le Temps*, 18th May, 1924.
[3] *Ibid.*, 23rd May, 1924.
[4] See the *Corriere della Sera*, 27th May, 1924.

grounds. This proviso was based on the desirability of safeguarding the unity of the family as a principle of general interest.

Throughout the conference the Italian delegation advocated, in contradistinction to the haphazard emigration of individuals, a conception of colonization, that is, of the systematic and permanent plantation of groups of emigrants from one country in the territory of another by agreement and collaboration between the two Governments concerned. 'Naturally,' from the Italian standpoint,[1] 'the countries of emigration can only consent to this when their workers emigrate to countries which offer, not only favourable conditions of environment, but also guarantees sufficient to assure to the colonists a suitable situation from the moral and material point of view.' Reading between the lines, the representative of a country of immigration might interpret this as a claim that groups of immigrants and their descendants should maintain in permanence, in their new home, a separate organization of their own and a special relation with their mother-country; and, however natural such an ambition might be for a country in the position of Italy, who possessed no vacant lands under her own flag which were suitable for permanent colonization by her own people, it was equally natural that the overseas countries and France should look upon such suggestions with disfavour. Thus, while a number of resolutions on technical points—some of them of considerable importance and value—were adopted by the conference at its final plenary session on the 30th May,[2] and while the United States delegate 'accepted all the decisions, only reserving America's right to regulate immigration according to the economic conditions in America',[3] the fundamental problems were left untouched, 'because the points of view of the countries of emigration and immigration differed too widely.'[4]

In regard to this, the Italian Government might fairly submit that it had proposed from the beginning to exclude political issues from the discussion and that it had kept its word. As it was, a resolution was proposed by the Spanish delegation, apparently under Italian inspiration, which was regarded by the British delegation as trespassing on political ground. The proposal was that the Organization Committee of the conference should be kept in being in order to prepare for another conference in 1927. The British delegation

[1] The *Corriere della Sera*, 23rd May, 1924.
[2] See *ibid.*, 31st May, 1924, for a catalogue of these resolutions.
[3] *The Manchester Guardian*, 31st May, 1924.
[4] *The Times*, 2nd June, 1924.

proposed an amendment to the effect that the International Labour Office should be informed of the results of the conference and be asked to formulate suggestions for adoption by the various Governments. This amendment was not accepted, and the Italian resolution was adopted by the conference—the British delegation abstaining from voting—but, as a result of the British delegation's intervention, a proviso was inserted that the Organization Committee should not be regarded as a permanent body.[1] This guarded against the danger that the International Labour Organization might be ousted permanently from an important field of activity which had been specifically assigned to it in its original constitution, and with which it was particularly well qualified to deal.

(vi) The Problem of Oriental Immigration into Overseas Countries

At the close of the first quarter of the twentieth century, the problem of Oriental immigration into overseas countries occupied by peoples of European origin threatened to become as serious as the problem of the importation of negro slaves from Tropical Africa into these same overseas countries had been a century earlier. In this connexion, it is interesting to observe that the later problem, like its predecessor, was originally called into existence by the action of the overseas peoples (or, more accurately, by the combined action of these peoples and the European peoples from whom they sprang), and not by the action of the other party, though, when once Oriental immigrants were established in the land, they inevitably came to be regarded by its European occupants not as mere unwelcome guests but as aggressive and even formidable intruders. That the negro slaves crossed the Atlantic unwillingly hardly needs to be stated, but it is important to state, since it is sometimes forgotten, that the first Indians who landed in Natal and East Africa, and the first Chinese who landed on the Pacific coast of the United States, were brought there in either case, not indeed against their will, but at the desire and by the initiative of the English-speaking pioneers who were then engaged in opening up these countries ; and that the first international agreements between Governments regarding this movement of population across the Indian and Pacific Oceans were negotiated, not in order to enable overseas countries

[1] For an account of this incident see *The Times*, 5th June, 1924.

to exclude Oriental immigrants, but in order to remove embargoes placed by Oriental Governments upon the emigration of their nationals.

This historical fact may be verified by consulting the Anglo-Chinese Treaty of the 24th October, 1860,[1] under which the Chinese Government 'undertook to compel all provincial governors to proclaim that any Chinaman who wished to enter into employment in a British colony was free to conclude contracts for the purpose and consequently had the right to embark on any British ship in any port whatsoever', while, on the other hand, regulations were formulated for the Chinese emigrant's protection. Again, in the Burlingame Treaty of 1868 between the United States and China,[2] which was negotiated in order to regulate the position of Chinese immigrants in the Pacific States of the Union, and in which the right of nationals of either of the contracting parties to emigrate to the territory of the other was recognized, there was also an explicit prohibition of any form of emigration that was not purely voluntary.

It will be seen that at this time the motive-force of Oriental immigration into overseas countries was generated by the overseas Powers themselves, whereas the principal Oriental Government concerned was inclined to restrict emigration, for fear that its nationals might be enticed overseas under false pretences to labour there under improper conditions. In respect of Oriental immigration into many tropical dependencies of European Powers (e.g. the Straits Settlements, the Dutch East Indies, the West Indies, or Guiana), this was still the position of affairs during the period under review in this volume. For example, the Government of India's Emigration Act of 1922[3] permanently prohibited indentured emigration and set up administrative machinery for helping and protecting Indian emigrants in making their contract, on the voyage, and in the country of immigration. In other words, the Indian Government at this time, like the Chinese Government at the earlier date, was not concerned to force its emigrants upon overseas countries, but rather to insure that they should not be exploited there; and, in this respect, the Governments of these two Oriental countries took the same point of view, and adopted very much the same measures, as the Governments of the countries from which

[1] See *Emigration and Immigration*, p. 324. Another Anglo-Chinese Agreement, regulating the recruitment of coolies for work in British colonies and protectorates, was concluded in 1904.

[2] See *op. cit.*, *loc. cit.*

[3] *Précis* in *op. cit.*, pp. 434–6.

European emigrants were drawn.[1] Thus, in many parts of the Tropics, the initiative in Oriental emigration was still being taken, during the period under review, by the overseas Powers. On the other hand, in overseas countries possessing a climate which rendered or seemed to render them suitable for permanent settlement by populations of European origin, the situation had changed completely towards the close of the third quarter of the nineteenth century, and this was the field in which the problem had become serious by the year 1924.

The first stage in the opening-up of Natal, East Africa, and the Pacific seaboard of the United States had been marked by the employment of Oriental labour under the direction of English-speaking pioneers; and, without that labour force, great initial enterprises like the construction of the first trans-continental railways in America or the Uganda Railway from the Indian Ocean to the Victoria Nyanza could hardly have been executed as rapidly as they were. As soon, however, as the 'Anglo-Saxon' pioneers and their descendants had come to look upon these newly occupied countries as their permanent home, they had begun to fear that the Orientals—with their apparent capacity for accomplishing more work on a lower standard of living—would drive them to the wall by the inexorable operation of an economic law unless the influx of Oriental immigrants were arrested, and accordingly they became as anxious to restrict Oriental immigration as they had formerly been to encourage it. This change of attitude can be traced most clearly in the history of the relations between the United States and China. In 1924 the immigration of Chinese nationals into the United States was governed by a Sino-American treaty concluded on the 17th November, 1880, which still remained in force, though it had been supplemented by subsequent diplomatic agreements and had been given effect by municipal legislation in the United States.[2] This treaty of 1880 stipulated that

> whenever in the opinion of the Government of the United States the coming of Chinese labourers to the United States or their residence therein affected the interests of that country or endangered good order, the Government of China agreed that the Government of the United States might regulate, limit or suspend such coming or residence but might not absolutely prohibit it.

[1] For a survey of legislation and administrative action for the protection of emigrants by the Governments of their countries of origin, see *op. cit.*, Part I, Chaps. V and VI.

[2] For notices of these diplomatic agreements and legislative acts, see *op. cit.*, pp. 186 and 324–5.

At the same time, the treaty provided that Chinese immigrants of other classes might enter or leave the United States freely ; and it is important to note that this category included not only such small and essentially transitory classes as travellers, students, teachers, workers employed in exhibitions, and diplomatic and consular officials, but *bona fide* merchants together with their wives and minor children and their household and body servants.[1]

It may be convenient at this point to give a brief survey of the restrictions upon Oriental immigration into overseas countries which were in force immediately before the passage of the United States Restriction and Exclusion Act of 1924.[2]

In South Africa and Australia there was no overtly discriminatory legislation against Orientals at this time, but discrimination was exercised in practice under existing Acts. In South Africa, for example, a clause (Sect. iv. 1. a) in the Immigrants Regulation Act of 1913, which empowered the Minister of the Interior to certify as prohibited immigrants persons or classes of persons whose presence for economic or other reasons was considered undesirable, was used to prohibit the immigration of all Asiatics except the wives and young children of domiciled residents.[3] In Australia the same result was achieved under a clause in the Immigration Restriction Act of 1901,[4] which provided that any person who, when asked to do so by a public officer of the Commonwealth, failed to write out from dictation and to sign in the presence of the officer a passage of fifty words in any prescribed language, should be prohibited from landing in the country. In New Zealand, under an Act of 1908, any Chinese proposing to land in the Dominion must be able to read a printed passage of not less than one hundred words of the English language. In Argentina, Brazil, and Chile—the three principal countries of immigration in Latin America—no discrimination against Oriental immigration appears to have been practised down to this date. On the other hand, in Uruguay the immigration authorities had been given discretion to exclude Asiatics and Africans under a decree of 1915 ; in Paraguay members of the Yellow and Black races were

[1] For a learned discussion of the juridical status in the United States of Chinese merchants and their personal dependants see an article by A. W. Parker in the *American Journal of International Law*, January 1925, on ' The Ineligible to Citizenship Provisions of the Immigration Act of 1924.'

[2] This survey is based on *Emigration and Immigration*, Part II, Ch. II, 2, ' Conditions of admission relating to race, religion, or nationality.'

[3] There were some further exceptions in favour of certain classes of Asiatics domiciled in the Transvaal before 1902.

[4] Section 3 (*a*) in the consolidating Act of the 2nd December, 1920.

excluded ; in Peru, Chinese immigration had been suspended by a decree of the 14th May, 1909, and the matter had then been adjusted diplomatically by a Sino-Peruvian Protocol of the 28th August of the same year ; in Ecuador, Chinese immigration had been prohibited for the future by a decree of the 14th September, 1889 ; in Panama, Chinese, Syrians, Turks, and native North-Africans had been excluded—under pain of drastic penalties—by an Act of the 24th March, 1913, renewed in 1914 ; in Costa Rica, Asiatics—in particular, Arabs, Turks, Armenians, and Syrians—were excluded ; and Asiatics were also excluded in Guatemala. In Mexico, as in the ' A. B. C.' states, discrimination against Orientals does not appear to have existed. As for the United States, the restrictions upon immigration from China have already been mentioned. It remains to consider the restrictions upon immigration into the United States from other Oriental countries which were in existence before the passage of the Act of 1924 ; and it will be convenient to postpone until after this the consideration of restrictions prevailing in Canada, since, in the matter of Oriental immigration, the policy of the Canadian Government was much influenced by that of the United States.

In the United States the main fact in the situation was that between the enactment of the Chinese Exclusion Law of the 6th May, 1882,[1] and that of the general Immigration Act of the 26th May, 1924, the place of the Chinese element had largely been taken by Japanese immigrants, with the result that the public alarm and resentment which had formerly been directed against immigration from China had become transferred, during these forty-two years, to immigration from Japan. In 1924, an able and scholarly minded American student of the subject summarized the statistics thus : [2]

> The following figures, taken from vol. ii of the Census of 1920, will illustrate some phases of the situation which have been developing in the United States since 1880. According to the census of that year, there were 105,465 Chinese within the borders of our country, and upon the same date the number of Japanese enumerated amounted to only 148 ; in the following decade the number of Chinese was 107,488 and the number of Japanese 2,039 ; in 1900 it will be noted that the number of Chinese had fallen to 89,863, whereas the Japanese had increased to 24,336, an increase of say over 1,100 per cent. ; by 1910 the figure

[1] The first of the successive measures of United States municipal legislation which were enacted in virtue of the Sino-American Treaty of the 17th November, 1880.

[2] J. B. Trevor, *An Analysis of the American Immigration Act of 1924*, pp. 19–20.

for Chinese was 71,531 and Japanese 72,157; and finally, in 1920, China is credited with 61,639, and Japan with 111,010.[1]

In order to understand the full significance of these figures, it must be noted that 70,196 out of the 111,010 Japanese residents in the United States, as shown by the census of 1920, were domiciled in the single state of California and a large proportion of the remainder in the other two states on the Pacific Coast. On the other hand, the Japanese population of California, on this showing, amounted to no more than 2 per cent. of the total population of the state at that time, and in 1922 a representative committee of Californian citizens declared to the Senate of the United States: 'The Japanese 2 per cent. of our total population is so small that there are thousands of people in California who never saw a Japanese.'[2] It is true that there were remarkable divergences in the estimate of what the number actually was. For instance, the Secretary of the Japanese Association of America was reported[3] to have stated that an unofficial census taken, on a post-card system, by the Japanese themselves in 1919 had revealed a Japanese population in California of 83,628, or 13,000 more than were recorded in the United States census of the following year; and in that year (1920) the California State Board of Control published an official estimate of 87,279, though this figure was admittedly reached by conjectural 'approximations' and 'proportions'. There were still greater differences between the various calculations of the Californian Japanese birth-rate—one party making out that, in 1920 and the three preceding years, the rate per thousand had been three or four times as high as that prevailing among Californians of European origin, while another party maintained that the Japanese birth-rate in California during these years was 'not excessive'. The voluminous controversial literature on these statistical questions which had been published by 1924 was not, perhaps, of great scientific value;[4]

[1] Exclusive of the Japanese in the United States Territory of Hawaii, who numbered 109,274 in 1920, according to the United States census of that year.

[2] *Senate Document 188* (67th Congress, 2nd Session).

[3] See p. 20 of the Record of Hearings before the Committee on Immigration, United States Senate, 68th Congress, 1st Session, on *S. 2576*. It must be noted that the report was made in a statement by Mr. V. S. McClatchy, the protagonist of the Japanese Exclusion League.

[4] It will be sufficient to refer to one typical document on either side, e.g. *Japanese Immigration and Colonization: Brief Prepared for consideration of the State Department* by V. S. McClatchy, representative of the Japanese Exclusion League of California, and *Japanese Immigration and Colonization: A Counter-Brief to that of Mr. V. S. McClatchy* submitted on behalf of the California Committee of Justice and other citizens. Both briefs were reprinted

but the marked tendency to partisanship and exaggeration which it revealed was of some historical importance as throwing light upon the mental atmosphere in which the controversy was conducted. Even if the highest Californian unofficial estimates of the actual number and the rate of increase of the Japanese element in the state at this period had been correct, an unprejudiced Californian observer could hardly have concluded that Japanese immigration was a serious menace to the people of California from the statistical point of view ; [1] while, on the other side, the Japanese Government and people at home, in the light of forty years' experience of Japanese immigration into the United States, could hardly have imagined that there was, or ever would be, an outlet in this direction for Japanese emigration which would make any appreciable contribution to a solution of the Japanese population problem.[2] Statistics, however (whatever the true figures may have been), were not the heart of the matter, for the real issue was not quantitative but psychological.

The individual Californian of European origin who came into contact with the individual Japanese immigrant saw in him the representative of an alien civilization with social traditions which were not only disconcertingly different from his own but were apparently unassimilable to them ; and he also found that, by reason of these fixed social habits, the individual Japanese was able to do a greater amount of work *per diem* on a lower material standard of living—that is, to beat the individual Californian, man for man, in the struggle for life—through the possession of characteristics which, to the Californian mind, connoted inferiority of civilization. It seemed like a case of Gresham's Law translated into human values, and from this outlook it was beside the point that the 2 per cent. of bad money, which was all that was in circulation, was altogether too little to drive the good money off the market. The enormity, from the Californian point of view, was that Yellow Men should be in a position to compete at all with White Men, under these unequal

officially as United States Senate Documents (67th Congress, 1st Session, No. 55, and 2nd Session, No. 188, respectively).

[1] The only possession of the United States in which Japanese immigration was a menace at this time numerically was the Territory of Hawaii, in which, according to the United States Census of 1920, vol. iii, p. 1173, out of a total population of 255,912 persons, 109,274 were Japanese, of whom 60,888 were foreign born.

[2] See the tables of Japanese nationals resident abroad on the 31st December, 1913, and the 1st October, 1920, which are reprinted at the end of the present section from the *Résumé Statistique de l'Empire du Japon* for 1915 and 1923 respectively.

conditions, in a White Man's country. In the last analysis, it was a question not of figures but of feeling, and on this ground the Japanese were as intransigent as the Americans, since their pride of race and culture was at least as great as that of the English-speaking peoples.

Had the Japanese immigration into California aroused opposition on merely economic grounds, the Japanese nation would probably have felt little resentment. As has been mentioned, the economic values at stake were comparatively so small that they would have exercised little or no disturbing effect on the economic life of Japan—nothing comparable, for instance, to the effect of the United States Restriction Acts of 1921 and 1924 upon the economic life of Italy—and Japan would have accommodated herself the more readily inasmuch as it was her own settled policy at home to prohibit the ownership of land by foreigners and even the use of land by them for agricultural purposes, and to restrict the immigration into Japan of Koreans and Chinese, whose standard of living was lower than that of the Japanese population.[1] On the other hand, the suggestion that Japanese immigrants should be restricted or excluded from entering the United States as an inferior race, and this by unilateral legislative action on the part of the United States Government, was taken by the Japanese as an affront to their national honour. They observed that the United States legislation excluding Chinese was based on an antecedent treaty between the American and Chinese Governments, and was China to be treated with greater consideration than Japan? Japan, while she shared with China a civilization which all the Far Eastern peoples who partook in it regarded as superior, in itself, to that of the West, had gone beyond her neighbours in adopting the technical achievements of Western civilization, and this with such success that the Western nations had admitted her into the comity of Western international society. They now permitted her courts to exercise jurisdiction over their nationals in Japanese territory; purchased her manufactures; quoted her stocks and shares on their exchanges; and rated her military and naval strength so high that they recognized her as one of the Great Powers. Having thus obtained the highest honours in commerce, law, war and diplomacy, how could the Japanese nation accept a status of cultural and racial inferiority as compared with nations of European descent? During the Peace Conference of Paris, the

[1] See a reference to this fact in Mr. Charles Evans Hughes's note of the 16th June, 1924, printed in Trevor, *op. cit.*, pp. 68–74; and, for further statements on the subject, McClatchy, *op. cit.*, Sections 50–1 and 106.

Japanese delegation had sought, though without success, to have the principle of racial equality embodied explicitly in the Covenant of the League of Nations. Thus the issue raised in California, insignificant as it was from the material point of view, touched Japanese as well as Californian feeling on a sensitive point. In this issue both parties stood for interests that were more than material and for societies that embraced a wider circle of peoples. Two races and two civilizations—the West and the Far East—were confronting one another across the Pacific, and this psychological background rendered the problem of Japanese immigration into California a peculiarly dangerous and at the same time a peculiarly important factor in world affairs.

The agitation in the Pacific Coast States of the Union for a Japanese Exclusion Act on the model of the Chinese Exclusion Act of 1882 began about the year 1900, and in 1907, under President Roosevelt's administration, the American and Japanese Governments dealt with the situation thus created in an exchange of diplomatic notes embodying the so-called ' Gentlemen's Agreement '. At the time of writing, the exact terms of this arrangement were not known, even to the United States Congress and its Committees, for one of the stipulations originally made by Japan was that the text should not be published, and this condition was still scrupulously observed by the State Department at Washington after the ' Gentlemen's Agreement ' had terminated upon the coming into force of the United States Immigration Act of 1924. Enough was known, however, to make it clear that the negotiators had grasped the psychological character of the problem which they had to solve. On the one hand, the Japanese Government recognized that the immigration of Japanese labour, skilled and unskilled, into the United States must be brought to an end in order to satisfy Californian public opinion. On the other hand, the State Department realized that if this were effected by United States legislation it would be mortally wounding to Japanese national pride. Accordingly it was arranged between the two parties that Japanese immigration into the United States should be restricted by the sole action not of the American but of the Japanese Government. The latter pledged itself not to issue passports to Japanese nationals seeking entry into the United States [1] as labourers, while the State Department agreed to admit all Japanese presenting themselves

[1] Apparently the original agreement was limited to the Continental United States and its scope was afterwards voluntarily extended by the Japanese Government to Hawaii.

with a passport in proper form from their own Government, on the assumption that they would belong to such categories as consular and diplomatic officials, travellers, students, ministers of religion, and *bona fide* merchants who were to be exempted from exclusion. The Japanese Government was to be at liberty to issue passports to Japanese labourers who had been resident in the United States before the conclusion of the agreement and were seeking re-entry, and also to parents, wives, and minor children of Japanese already resident in the country. The arrangement was styled a ' Gentlemen's Agreement ' because the sanction on which it rested was the Japanese Government's word of honour and not a *surveillance* to be exercised by the United States immigration authorities. It may be added that it was not technically a treaty and therefore was not submitted by the President to the Senate for approval, as was required in the case of a treaty by the United States Constitution.

At that date (1907) Japanese merchants were admitted into the United States under a commercial treaty concluded in 1894, which contained a stipulation that nothing in its terms should affect the immigration laws in force in either country. In the course of negotiations for the renewal of this treaty, which took place in 1911, the Japanese Government asked for the omission of this stipulation, ' which not unnaturally is distasteful to national sensibilities ', and offered in exchange to continue to carry out the ' Gentlemen's Agreement ' during the life of the new treaty and to make the treaty terminable at any time upon six months' notice. On these terms, the State Department agreed to the omission of the objectionable clause, but this ' without prejudice to the inherent sovereign right of either country to limit or control immigration to its own domains or possessions '.[1]

There is little doubt that, during the life of the ' Gentlemen's Agreement ', which lasted from its conclusion in 1907 down to the coming into force of the United States Immigration Act of 1924 on the 30th June of the latter year, the Japanese Government fulfilled its pledge on the whole both loyally and effectively, and even the anti-Japanese party in the United States admitted that the agreement was observed in the letter. Nevertheless, the number of Japanese residents in the United States steadily rose under the régime of the ' Gentlemen's Agreement ', while during the same years

[1] For a *résumé* of these negotiations, see Mr. Hughes's note of the 16th June, 1924. The resulting agreement was commonly known as the ' Root-Takahira Agreement ', in reference to the two principal negotiators.

the number of Chinese residents was steadily falling under the régime of the 1882 Exclusion Act. It has been mentioned that in 1910 there were 72,157 Japanese in the Continental United States and that in 1920 there were 111,010. That meant an increase in ten years of 38,853 (54 per cent.); and, while nearly two-thirds of this increase were due to births in Japanese families already resident, the census showed that 13,758 were fresh immigrants. In a note addressed to the Secretary of State on the 10th April, 1924, of which further mention is made below, the Japanese Ambassador in Washington estimated that, over the years 1908 to 1923 inclusive, the net immigration (i.e. the excess of those admitted over those departed) was only 8,681, basing his estimate on the reports of the United States Commissioner-General of Immigration. His deduction, however, does not appear to have been borne out by the separate figures of Japanese immigrant and emigrant aliens for each of the years 1912 to 1923 inclusive, which were published in the Commissioner-General's annual report [1] for the last of the years in question.[2]

Thus, in spite of the 'Gentlemen's Agreement', Japanese immigration into the United States appears to have been continuing on a considerable scale (whatever the actual figures may have been) and this could be traced to two causes, of which the United States authorities were responsible for the one and the Japanese for the other. In the first place, no provision had been made, either in the Chinese Exclusion Act or under the 'Gentlemen's Agreement', for deporting persons entering the United States in categories exempt from exclusion if and when such persons changed their status after entry,[3] and the permanently resident Chinese and Japanese population appears to have been reinforced in this way steadily but not illegally. Indeed, the legality of the process was affirmed by decisions of American courts of law.[4] In the second place—and in this case the Japanese Government was responsible for what was a contravention of the 'Gentlemen's Agreement' in the spirit though not in the letter—unmarried Japanese men who were already domiciled in the United States but who, together with their families,

[1] p. 30.

[2] For a fuller discussion of these figures see Trevor, *op. cit.*, pp. 20–1.

[3] Such provision was made in the Act of the 5th February, 1917, Section 3, in respect of the natives of the Asiatic Barred Zone who had entered the United States in categories exempt from exclusion.

[4] See a passage quoted by Trevor in *op. cit.*, p. 23, from the *Annual Report of the Secretary of Labour* for the Fiscal Year ended the 30th June, 1923, p. 113.

would otherwise have belonged to the class which the Japanese Government was pledged not to furnish with passports, took advantage, in collusion with their Government, of the provision allowing the entry of wives. On the strength of a photograph they chose, and then married by proxy, a bride in Japan whom they had never seen in the flesh, whereupon the Japanese Government issued a passport to her as being the wife of a Japanese resident in the United States who was entitled to join her husband. These ' Picture Brides ' not only bore children after their arrival, and so helped to increase the American-born Japanese population in the United States, but they also recruited the Japanese labour force in the country. The practice was therefore strongly resented by Californian public opinion, and ' after prolonged negotiation and continued pressure ' [1] the Japanese Government was induced to discontinue it as from the 1st March, 1920. Even then, however, the Government took steps to facilitate the marriage in Japan of unmarried Japanese residents in the United States who revisited Japan for the purpose, by extending in their case from thirty to ninety days the period for which Japanese residents abroad might stay temporarily in Japan without becoming liable to perform their military service.

In these circumstances the anti-Japanese feeling in California began to rise again, and this time the movement was mainly directed against the ownership by Japanese of real estate. Alarming reports gained currency regarding the rate at which the land of California was passing into Japanese hands, and though the various estimates in regard to this were even farther apart from one another than the conflicting estimates regarding the number of the resident Japanese population,[2] the agitation resulted in 1913 in the passage through the State Legislature of an Alien Land Law. When, after seven years' experience of the working of the law, it appeared that Japanese residents were evading it by holding land through ' dummies ',[3] the loopholes in this law were closed by a more sweeping enactment,

[1] Trevor, *op. cit.*, p. 22.

[2] For estimates regarding the land, see the *Brief* and *Counter-Brief* referred to in a previous foot-note. The latter document contains the following significant statement :

' When the persecution of the Chinese expelled them from the State, our available farm labour was so reduced that 568,000 acres of farm land ceased to be cultivated and land values fell. This was the economic vacuum that drew in the Japanese, and their expertness as intensive farmers was soon exhibited in the rise of land values, and land that had fallen to $10 per acre rose in price to hundreds of dollars per acre.'

[3] For the evidence on which this charge was based, see Mr. McClatchy's *Brief*, Sections 25–43.

which was passed by an 'initiative vote' (i.e. referendum) on the 2nd November, 1920. The new law provided that 'aliens ineligible to citizenship of the United States'—a definition in which the Japanese were included [1]—

> may acquire, possess, enjoy and transfer real property or any interest therein in this State in the manner and to the extent and for the purpose prescribed by any treaty now existing between the Government of the United States and the nation or country of which such alien is a citizen or subject; and not otherwise.

'Construed in accordance with the conditions of the Treaty with Japan, this meant that hereafter alien Japanese might not acquire ownership of land in California under any conditions, and might not lease land for other than residential or commercial purposes.' [2] The lead thus given by California was followed by a number of other states. Within less than twelve months Alien Land Laws on the Californian model had been passed in Washington, Arizona, New Mexico,[3] Texas, Louisiana, and Delaware, and were in preparation in Oregon, Nevada, Idaho, Montana, Colorado, and Nebraska.[4] On the other hand, the California Japanese Exclusion League admitted that 'no prominent chamber of commerce in California advocated the passage of the Initiative Alien Land Law, while one, that in San Francisco, conducted an open fight against it;' and further that 'the Seattle Chamber of Commerce . . . opposed the passage of [the State of] Washington's Alien Land Law, declaring [that] such action would incur the ill-will of the Japanese and lose Seattle the terminal business of the Japanese steamship companies.' [5] Moreover, while the Californian Initiative Law was passed by three to one of the votes actually polled, more than a third of the voters on the register abstained from voting, so that the law was actually passed by less than half the electorate.[6]

The agitation in California was increased, however, by rumours that the Japanese Government had protested to the Federal State Department against this measure of state legislation, and that the Administration in Washington was contemplating the 'nullification' of the law on the ground that it was incompatible with a Federal

[1] The precise legal scope of the term is discussed below in connexion with the United States Immigration Act of 1924.
[2] McClatchy, *op. cit.*, Section 23.
[3] In New Mexico this legislation was afterwards endorsed in a constitutional amendment.
[4] *Op. cit.*, Section 48.
[5] *Op. cit.*, Sections 36 and 38.
[6] See *op. cit.*, Section 34; and *Counter Brief*, p. 7.

treaty. Colour seems to have been given to this report by a speech delivered in Philadelphia on the 11th January, 1921, by Mr. R. S. Morris, at that time the United States Assistant Secretary of State. The Californians contended that their law was not only compatible with the existing Japanese-American commercial treaty, but was ' in strict conformity with the principles laid down by Federal laws of the United States '. It was pointed out that, under the United States Statutes at large (Sec. 363), ownership of land in any of the Territories [1] of the United States was forbidden to any person who was not a citizen of the United States or who had not declared his intention of becoming one ; and that Japanese were ineligible to United States citizenship under the Naturalization Laws (Sec. 2169). The inference was drawn that

> It is clearly unwise in any State to permit control of her rich lands to pass into the hands of an alien, unassimilable race, the members of which, by express terms of the Federal Statutes, are debarred from ever becoming citizens of the United States.[2]

This line of reasoning was important, because it paved the way to the Exclusion Clause in the United States Immigration Act of 1924. For the time being, however, the Federal Government took a middle course. It did not, after all, attempt to call in question the constitutionality of the Californian State legislation of either 1913 or 1920, which was, indeed, upheld subsequently (in November 1923) by a decision of the Supreme Court of the United States. On the other hand, the Federal Government still held to the ' Gentlemen's Agreement ' as the means of regulating immigration into the United States from Japan : and the two Immigration Acts of the 5th February, 1917, and the 19th May, 1921, were both so drawn that the important innovations which they introduced left the ' Gentlemen's Agreement ' unaffected.

For example, the Act of 1917 (Sec. 3), in reciting the classes of aliens which were to be excluded from admission into the United States, mentioned not only a number of classes defined by individual and personal disqualifications of a physical, medical, hygienic, moral, intellectual, or political order, but a class of quite a new kind, the members of which were to be disqualified from admission not on account of any personal characteristics but *a priori* and in the mass

[1] In the technical sense of possessions of the United States under the direct administration of the Federal Government.

[2] For this constitutional controversy see McClatchy, *op. cit.*, Sections 266–85.

as being natives of specified regions. This ' Asiatic Barred Zone ' [1] covered ' islands not possessed by the United States adjacent to the Continent of Asia ', within limits which included most of the Pacific Islands formerly possessed by Germany and thereafter distributed, under mandates, to Japan and to various members of the British Commonwealth ; New Guinea and all the East Indies ; Hainan ; Ceylon ; and the Seychelles. It also covered, on the Asiatic Continent, French Indo-China, Siam, the Malay Peninsula, Burma, India, Bhutan, Nepal, the greater part of Oman, of Afghanistan, and of Russian Central Asia, and the territories under Chinese suzerainty or sovereignty from the western frontiers of China as far east as longitude 110 east of Greenwich.[2] It is significant that this Barred Zone did not include Japan or any of her continental or insular possessions and dependencies, as they existed at the time when the Act was passed.[3] Again, the establishment of the quota, which was the great innovation of the Act of 1921, was made inapplicable to Japan by the explicit exemption (Sec. 2 (*a*) 5) of ' aliens from countries immigration from which is regulated in accordance with treaties or agreements relating solely to immigration '. Thus the ' Gentlemen's Agreement ' still governed Japanese immigration into the United States on the eve of the passage of the Immigration Act of 1924.

In Canada, at that date, there were regulations discriminating against Asiatic immigrants in general, besides specific arrangements in regard to Chinese and Japanese. For instance, Asiatics were excluded from the benefit of an Order in Council of the 9th May, 1910,

[1] This is the term by which the regions specified in the Act of 1917 (Section 3) were afterwards referred to in the Act of 1921 (Section 2 (*a*) 6). The Zone was defined in the Act by latitudes and longitudes which cut across political frontiers, with the consequence that it would have been practically impossible, in many cases, for the United States Immigration Authorities to determine whether an applicant for admission was a native of the Barred Zone or not. The relevant extract from the Act of 1917 is reprinted in the Appendix to the present volume ; but the limits of the Zone appear more clearly in the map opposite p. 92 of *Immigration Laws and Rules of 1st February, 1924.* It is to be noted that the exclusion of natives of the Barred Zone only applied to immigrants intending permanent settlement and not to certain privileged categories of transitory visitors corresponding to the categories exempted from the quota under the Acts of 1921 and 1924. On the other hand, any persons who entered in these categories and subsequently changed their status to a non-exempt category were to be liable to deportation.

[2] Immigration into the United States from the Chinese territories included in the Barred Zone was already regulated under the Sino-American Treaty of 1880 and the United States municipal legislation enacted in pursuance of it.

[3] That is, before Japan was assigned a mandate over the ex-German islands north of the Equator.

which otherwise permitted the immigration of female domestic servants, farm workers, and relatives of persons residing in Canada. Another Order in Council, of the 7th January, 1914, prohibited from landing in Canada any Asiatic immigrant who did not possess in his own right money to the amount of at least $200, and the figure was raised to $250 on the 16th May, 1922. This regulation, however, did not apply to immigrants from any country with which there was in force a special treaty or arrangement inconsistent with it.

Under the Chinese Immigration Act of 1906, as amended in 1914, 1917, and 1921,[1] Chinese immigrants had not been excluded from Canada, but any person of Chinese origin, or whose father was of Chinese origin, irrespective of political allegiance, had had to pay, on entering Canada, a tax of $500, with exemption for certain classes corresponding to the classes which were allowed freely to enter the United States under the Sino-American Treaty of 1880 and the subsequent United States legislation. In 1923, however, this legislation had been repealed in order to be replaced by a new Act,[2] which received the Royal Assent on the 30th June of that year and which is of considerable importance in the present context. Its general effect was to exclude altogether such persons as previously had been required to pay $500 for admission, and these much more drastic provisions constituted, *mutatis mutandis*, a close precedent for the exclusion clause in the United States Act of May 1924. Under this antecedent Canadian Act, the entry to or landing in Canada of ' persons of Chinese origin or descent, irrespective of allegiance or citizenship ', was confined to diplomatists with their suites and servants, consular officers, the children born in Canada of parents of Chinese origin who had left Canada for educational or other purposes, merchants and students (Sec. 5). Moreover, an absolute prohibition was enacted (Sec. 8) against the entry or residence of certain classes, which included not only persons physically, mentally, or morally undesirable and illiterates,[3] but ' advocates of force or violence against organized government ' or members of organizations which advocated the same, and also ' persons who have been deported from Canada or the United States or any other country for any cause whatsoever '. Even within the exempted

[1] Revised Statutes of Canada, 1906, Ch. 95 ; 1908, Ch. 14 ; 1917, Ch. 7 ; 1921, Ch. 21.

[2] 13–14 George V, Ch. 38.

[3] Defined as ' persons over 15 years of age, physically capable of reading, who cannot read the English or the French language or some other language or dialect ' when tested by examination.

classes, no person of Chinese origin or descent was to enter or land in Canada except at a port of entry (Sec. 6); and, in the case of merchants and students, the only ports permissible were to be Vancouver and Victoria (Sec. 7). Applicants of these two classes must also substantiate their status to the satisfaction of the Controller at the port of entry and must be in possession of a valid Chinese Government passport endorsed, at the place either of receipt or of departure from China, by the *visa* of a Canadian immigration officer (Sec. 5). Applicants for entry were to be examined by the Controller, and this was to be done *in camera*, though, in case of an adverse decision, the applicant was to be given an opportunity of being represented by counsel and of appealing (except in cases where the decision was based on medical grounds) to the Dominion Minister of Immigration and Colonization (Secs. 10–14). Applicants who were admitted were to have identity certificates delivered to them, but the validity or authenticity of such certificates might be contested in court at any time by public officers (Sec. 17), and a register was to be kept, not only of all fresh Chinese immigrants to whom certificates might be issued (Sec. 17), but of every person of Chinese origin or descent in Canada (Sec. 18). Any person of Chinese origin or descent who was believed by any public officer to have entered or remained in Canada contrary to the provisions of this Act, or of the Act of 1906 and its amendments, might be apprehended by such officer without warrant; and, if such person were unable to prove (the burden of proof resting upon him) that he had been properly admitted into and was legally entitled to remain in Canada, he might eventually be deported (Sec. 26), subject to the same right of appeal as was provided in the case of a person applying for original entry. Persons lawfully resident under previous Acts and not falling within the classes prohibited under the new Act were to be deemed to be entitled to continue to reside in Canada (Sec. 27), but privileges granted to particular classes were to be forfeited by persons who ceased to belong to them. For example, a person admitted, after the 25th July, 1917, without payment of $500 as being a merchant, was to become liable to payment, or alternatively to deportation, if he ceased to be a merchant; and, more broadly, any person admitted under the Act who subsequently ceased to belong to any of the admissible classes was, unless he were a Canadian citizen, *ipso facto* to forfeit his right to remain in Canada, and was to be subject to arrest without warrant and to deportation under the conditions laid down in Section 26. Pro-

vision was made (Sec. 24) for re-entry within certain periods, subject to compliance with certain formalities and payment of certain fees. No vessel carrying Chinese immigrants to any port in Canada was to carry more than one such immigrant for every 250 tons of its tonnage (Sec. 19).[1]

This Act was historically important as effecting the exclusion of persons belonging to a particular Oriental nationality from a particular overseas country by unilateral legislation on the part of the latter country, without any preliminary agreement or understanding between the two Governments concerned. On the other hand, the entry of Japanese nationals into Canada had been dealt with up to this date by joint action, first in an exchange of notes on the 23rd December, 1907, between Japan and Great Britain (acting for Canada) and subsequently, in 1908, by a ' Gentlemen's Agreement ' (the ' Lemieux Agreement ') which was negotiated between Japan and Canada directly. This understanding appears to have been modelled on the Japanese-American Agreement of 1907—that is, so far as its contents were known, for, on the Japanese-American precedent, the exact terms were not made public.

The general view of the state of the Oriental immigration problem at the beginning of the year 1924, which has now been given, may throw some light upon events which occurred during the following twelve months at several points on the vast circumference of the Pacific and the Indian Ocean. In the present volume, however, only certain of these events can be recorded ; for the scope of this survey is confined to international affairs, and, happily for the peace of the world, though not for the peace of mind of British statesmen, the problem was in large part an internal affair of the British Commonwealth. Accordingly, the reader must consult other works in order to trace how the immigration question was debated, during 1924, between British subjects of European and Indian origin in Kenya Colony and the Dominion of South Africa. The issues there raised were not less interesting or less important historically than those raised in other parts of the field, which are discussed below in this section. One difference, however, must be pointed out. Owing to the existence and constitution of the British Empire, controversies between Indian and English-speaking communities within the Empire, or between Governments associated in the Commonwealth, like those of South Africa and India, could not

[1] Cf. Section 9 of the Act of 1906, under which one immigrant was allowed for every 50 tons of tonnage.

result in war, however much bitterness they might engender. On the other hand, in international controversies over the Oriental immigration problem arising between sovereign independent states, the situation was rendered more serious by the absence of those safeguards which the British Commonwealth introduced into the relations between the different races and civilizations under its aegis.

Here, however, there were still differences of degree. For example, all the Far Eastern states and all the nations of European origin overseas except the United States, Mexico, and Ecuador were Members, in 1924, of the League of Nations,[1] and even in matters which, like immigration, were recognized in international law to fall exclusively within the domestic jurisdiction of states, the terms of Article 11 of the Covenant enabled the Council of the League, at the instance of any Member, to take any action which might be deemed wise and effectual to safeguard the peace of nations if war, or the threat of war, arose. This Article, for recourse to which the Geneva Protocol made specific provision if and when a matter in dispute had been pronounced to fall within the sole domestic jurisdiction of one of the parties,[2] gave the Council no authority to impose a settlement but merely the right to initiate a process of conciliation which either party to the dispute would be free to reject if it chose. Yet there can be no doubt that in international disputes arising out of the Oriental immigration problem the Covenant provided, as between States Members of the League, a safeguard of real value against the risk of war. The problem assumed its most dangerous form in controversies between sovereign independent states one of which had refrained from joining the League, for in such cases there was neither a superstate like the British Empire nor a binding international organization like the League to keep the dispute within peaceful bounds.[3]

This, unhappily, was the situation in the controversy which the American Immigration Act of 1924 created between the United States and Japan ; and here the psychological as well as the juridical circumstances were unpropitious. Owing to their respective

[1] The Dominican Republic was admitted to membership in September 1924, during the Fifth Session of the Assembly (see the *Survey for 1925*).

[2] See I. A. (v), p. 57, above.

[3] Under Article 17 of the Covenant, states not Members of the League, if parties to a dispute likely to lead to a breach of peace, were to be invited to assume the obligations of membership for the purposes of such dispute, and were to be subject to the sanctions of Article 16 if they refused. It was evidently doubtful, however, whether this provision could be enforced against a Great Power like the United States.

situations on the farthest western and eastern horizons of Europe, these two Great Powers of the Pacific had suffered comparatively little in the General War of 1914–18, of which Continental Europe had been the principal theatre; and their hearts were not yet penetrated by that wisdom born of suffering which seemed to inspire the counsels of the Fifth Assembly of the League at Geneva.[1] Of all the Great Powers which had survived the recent General War, the United States and Japan were the least unready, in 1924, to go to war again; and the questions of national honour and national jurisdiction which the Oriental immigration problem raised were of just the kind which had led to wars in the past. Thus the Japanese-American controversy of 1924 was (to paraphrase the language of Article 11 of the Covenant) 'a matter of concern' not merely 'to the whole League' but to the whole world, and to no community more than to the British Commonwealth of Nations.

In the world as it had emerged from the War, the British Commonwealth was the greatest potential instrument for solving the greatest outstanding human problem. Within its bosom, if anywhere, a peaceful solution for the problem could be found and peoples of different race and civilization be enabled to live together in amity as members one of another. At this moment, when the experiment was perhaps in its most critical stage, much depended upon the conditions of the environment, since an institution with such wide ramifications as the British Commonwealth was bound to be sensitive to every stir and vibration beyond its borders. Considering this, it would hardly be an exaggeration to say that the Japanese-American controversy of 1924 was the gravest international event of that year from the British point of view, just as the Washington Conference had been the event of best augury in 1921 and 1922.[2] The Washington Conference had promised to create that general atmosphere which would give the British Commonwealth the best chance of accomplishing its difficult mission. The cloud that descended upon Japanese-American relations in 1924 cast its long shadow over Australia and India and Kenya and the South African Union; and it was evident that, if the storm broke in the Pacific, there would be heavy weather in the Indian Ocean. At certain moments of the recent European War the long maturing Swiss

[1] For the psychological conditions under which the Geneva Protocol was drafted and recommended to the Governments see I. A. (v) above.

[2] For the history of the Washington Conference see *Survey, 1920–3*, pp. 452–99.

experiment of fusing French and German-speaking populations into a single nation had been subjected to an almost intolerable strain by the life-and-death struggle between France and Germany just across the frontier. Similarly (to compare great things with small) a conflict between the United States and Japan might impose an intolerable strain upon the British experiment of making one Commonwealth out of Westerners and Orientals. It must now be recorded how that cloud arose, at first no bigger than a man's hand, from the surface of a peaceful sea.

It has been explained above [1] that the United States Immigration Act of 1924 was primarily designed to increase the restrictions upon immigration from South-Western and Eastern Europe, and that the greater part of the text consisted of provisions to this end. At the same time, Oriental immigration was dealt with in a short but pregnant clause (Sec. 13 *c*) conceived in the following terms :

> No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a non-quota immigrant under the provisions of subdivision (*b*), (*d*), or (*e*) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (*d*), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

The term ' ineligible to citizenship ', when used in reference to any individual, was defined (Sec. 28 *c*) as including ' an individual who is debarred from becoming a citizen of the United States under Section 2169 of the Revised Statutes ' and under other specified legislation of the United States. Now the naturalization laws, here referred to, limited naturalization to ' free White persons and to aliens of African nativity and to persons of African descent ' ; and the House Immigration Committee, in reporting upon the Bill from which the Immigration Act of 1924 took its rise, pointed out that this limitation had been interpreted by the Supreme Court of the United States to mean that ' certain nationals of Oriental countries ' were ' not entitled to be naturalized as citizens of the United States '.[2] These interpretations are so important that it seems desirable to quote a summary of them by a competent American authority [3] :

> The decisions of the Supreme Court in point are the following : One holding that, as the Brown and Yellow races of Asia are not included

[1] See Section (ii), pp. 98–9.

[2] *H. R. 350* (68th Congress, 1st Session), p. 6.

[3] Mr. A. Warner Parker, of the District of Columbia Bar, at one time an official in the United States Immigration Service. The quotation is taken from an article entitled ' The Ineligible to Citizenship Provisions of the Immigration Act of 1924 ' in *The American Journal of International Law*, January 1925.

in Sec. 2169, Revised Statutes, they are necessarily excluded therefrom.[1] Another, holding that persons of the Japanese race born in Japan are not entitled to naturalization.[2] And another, holding that the term 'White persons', as used in Sec. 2169, is a popular and not a scientific term and must be given its popular meaning; that it is not to be construed as identical with 'Caucasian', unless the latter term is given its popular meaning as referring to recognized racial distinctions existing at present, and not to possible common ancestry of dissimilar races; that, in the popular meaning, 'White persons' means immigrants from the British Isles and Northwestern Europe, who composed most of the population when the naturalization act was adopted, and the later immigrants from Eastern and Southern and Middle Europe, who were unquestionably akin to those already here and readily amalgamated with them, and does not include a high-caste Hindu, even though some authorities class Hindus as Caucasian, and that this construction is fortified by the fact that, under the Asiatic Barred Zone clause of the 1917 Immigration Act, inhabitants of India are excluded from the United States.[3] While the lower courts have rendered a great variety of decisions on this question, it seems now to be well established that White persons of European origin and Black persons of African origin are the only people for the naturalization of whom Congress has made provision pursuant to the authority conferred upon it by Sec. 8 of Article I of the Constitution; and that, therefore, all others are included in the term 'ineligible to citizenship'. Evidently Congress has in the new law so used the term. The general effect of the ineligible to citizenship provisions, therefore, is to exclude from the United States, simply because they are not capable of naturalization, all aliens who are not White and of European origin or Black and of African origin, except, of course, those who are specifically exempted by the statute itself. This general observation is true, however, only where there are no treaties or previous laws or customs left intact by the new Act.

In the light of these definitions and interpretations, it will be seen that this brief provision in the Act of 1924 excluded from entry into the United States all Japanese nationals except those belonging to certain privileged classes. This exclusion was, of course, already secured, in substance, by the 'Gentlemen's Agreement'; and, though the 'Gentlemen's Agreement' had not worked perfectly, it was an open question whether the new arrangement would be more effective.[4] The most important change entailed in the passage of the Act of 1924 lay not in the relative effectiveness of the results which it might be expected to produce but in the introduction of

[1] *Ozawa* v. *United States*, 260 U.S., 178.
[2] *Takuji Yamashita* v. *Hinkle*, 260 U.S., 199.
[3] *United States* v. *Bhagat Singh Thind*, 261 U.S., 204.
[4] See Parker, *loc. cit.*, foot-note 12. This question was raised in Mr. Hughes's letter of the 8th February, 1924, to the Chairman of the House Immigration Committee, in a passage pointing out the difficulty of preventing the surreptitious entry of Japanese immigrants along the land frontiers without the co-operation of the passport authorities at Tokio.

a new procedure. Unilateral action based on domestic legislation of the United States was now substituted for international co-operation based on an agreement between the American and Japanese Governments ; and in a note addressed, on the 16th June, 1924, to the Japanese Ambassador in Washington,[1] Mr. Hughes, while pointing out that the United States had always reserved its ' inherent sovereign right to control immigration to its own domains and possessions ',[2] conceded at the same time that the two forms of procedure were mutually exclusive.

> Inasmuch as the abstention on the part of the United States from such an exercise of its right of statutory control over immigration was the condition upon which was predicated the undertaking of the Japanese Government contained in the Gentlemen's Agreement of 1907–8 with respect to the regulation of the emigration of labourers to the United States, I feel constrained to advise you that this Government cannot but acquiesce in the view that the Government of Japan is to be considered released, as from the date upon which section 13 (*c*) of the Immigration Act comes into force, from further obligation by virtue of that understanding.

The political import of this substitution of a unilateral Exclusion Clause for the ' Gentlemen's Agreement ' was profound, and the immediate political consequences are described hereafter in this section ; but, just because these consequences were grave in themselves and striking in their outward manifestations, it is easy to lose sight of the fact that, under the Exclusion Clause, the exemptions which had been allowed under the ' Gentlemen's Agreement ' were maintained almost intact. Admission into the United States was still kept open, not only for three classes of ' non-quota immigrants ' defined in Section 4 (namely, re-entrants ; ministers of religion and university teachers with their wives and their children under 18 years of age ; and *bona fide* students), but for any person not an immigrant as defined in Section 3—that is, among others, for any ' alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation ' (Sec. 3, clause 6).

The history of the House Bill shows that this last, and economically very important, exemption was deliberately inserted in the Act.

' As the Bill which eventually became the Act of 1924 was first drafted and reported to the House by its Immigration Committee,[3]

[1] For the complete text see Trevor, *op. cit.*, pp. 68–74.
[2] On this point see the present section, p. 152, below.
[3] *H. R. 6540* (68th Congress, 1st Session).

it did not contain what is now clause (6) of Section 3. A copy of that Bill had been referred to the Secretary of State for comment. The Secretary in a letter dated the 8th February, 1924, to the Chairman of the Immigration Committee of the House called attention to the fact that, unless some such exemption as that now embodied in clause (6) should be added to Section 3, the law would be violative of existing treaties—pointing out specifically that the exemption in that Bill in favour of persons entering temporarily for business or pleasure, now clause (2) of said section, was not broad enough fully to preserve all the treaty rights of aliens. Upon the receipt of this letter the Bill was recommitted,'[1] and, in reporting on the new draft, the Committee stated their belief that it fully met all the Secretary of State's suggestions, and, in particular, that the additional clause exempting alien merchants was 'broad enough to take care of all of the clauses of all commercial treaties' by which the United States was bound at that date.[2]

Thus the advocates of the Exclusion Clause might fairly claim, first, that it would still admit into the United States, either as 'non-immigrants' or as 'non-quota immigrants', all classes of Japanese that had been properly admissible under the 'Gentlemen's Agreement', and secondly that it would do nothing to hamper the economic activities of Oriental merchants residing in the United States under the provisions of commercial treaties.[3] Yet, if the vital interests of Japan suffered no appreciable damage, Japanese national honour was unquestionably wounded, and, since honour is a subjective value which cannot be measured by statistics, the seriousness of the wound must be judged by the vigour and sincerity of the protests against the action of the United States which were made by the Japanese Government and people.

[1] Quoted from Parker, *loc. cit.*

[2] On two subsequent occasions (the 5th April and the 9th May) Mr. Johnson, the Chairman of the House Committee, expressly declared that the Bill 'protects every treaty with all the nations of the world', and on the second occasion he cited the commercial treaty with China as an example (see Parker, *loc. cit.*, p. 35).

[3] That is, on the assumption that such treaties were not only respected by the Act in the letter, but were still interpreted in the courts of the United States in the spirit, and according to the precedents, which had prevailed before the Act was passed. Mr. Parker enters into a learned discussion of cases in which commercial treaties between the United States and Oriental countries had to be interpreted by American judges during the six months immediately after the coming into force of the Act. While a court in the State of Washington upheld the customary interpretation, another Court in California reinterpreted the Treaty with China, in a sense unfavourable to Chinese merchants, in consideration of the Act. Mr. Parker argues that this reinterpretation was based on a wrong reading of the Act.

The first protest from the Japanese Government was received by the State Department when the first draft of the Bill, containing the Exclusion Clause, was before the House of Representatives, and this protest caused Mr. Hughes, on the 8th February, 1924, to address that letter to the Chairman of the House Immigration Committee which has been mentioned already. Besides urging the necessity for safeguarding treaties, Mr. Hughes expressed the view that 'to single out Japanese immigrants for exclusion' would 'largely undo the work of the Washington Conference on the Limitation of Armaments, which so greatly improved our relations with Japan'; and he proposed that immigration from Japan, instead of being prohibited, should be treated like immigration from European countries by being placed on the quota basis, as revised in the new Bill.[1] He pointed out that this would involve the admission of less than 250 Japanese annually, and stated his belief that, on these terms, the co-operation at present given by the Japanese Government under the 'Gentlemen's Agreement' might still be secured, whereas such co-operation would presumably cease if an Exclusion Act were brought into force. In that event, he suggested, it would be extremely difficult to prevent the surreptitious entry of Japanese along the northern and southern land-frontiers of the Union.[2]

The House, however, did not accept the Secretary of State's proposal to substitute the quota basis for the Exclusion Clause in the case of Japan, and accordingly Mr. Hanihara, the Japanese Ambassador in Washington, presented a note in which he referred to the 'grave consequences' which would follow the abandonment of the Root-Takahira Agreement of 1911 and the substitution of an Exclusion Clause like that contained in the Bill before the House. When, on the 12th April, the House nevertheless passed the Bill, as it stood, by 322 votes to 71, Mr. Hughes committed the tactical error of transmitting the text of the Japanese Ambassador's note to the Senate, which had before it a separate Bill (S. 2576) on which it had not yet voted—a Bill which, as introduced and reported, contained no clause excluding aliens ineligible to citizenship from entry

[1] That is, a maximum annual contingent of 2 per cent. of the number of foreign-born persons of each nationality who were resident in the United States in 1890, as shown by the census of that year (see Section (ii), p. 97, above).

[2] For a *précis* of this letter, which was made public by agreement between the Administration and the House, see *The Times*, 15th February, 1924.

into the country.[1] Presumably Mr. Hughes calculated that the Senate, realizing from Mr. Hanihara's note how deeply the Japanese Government and people were moved by the prospect of an Exclusion Act, would not only persist in omitting any Exclusion Clause from their own Bill, but would support him in urging the abandonment of the Exclusion Clause in the House Bill at the stage when the two Houses brought their Bills into conference. If so, the effect actually produced was the exact contrary of that intended. The language of the Japanese note, so far from bringing the Senate into a more conciliatory frame of mind, produced exasperation. Senator Lodge denounced it as a 'veiled threat',[2] and described the control of immigration as 'the greatest of all fundamental rights' inherent in sovereignty; and not only Senator Lodge but Senator Reed (the Chairman of the Senate Immigration Committee), and then one Senator after another, expressed the view that the Japanese Ambassador's action had entirely altered the situation and had made conciliation impossible.

> What we are now doing [said Senator Lodge] assumes the character of international precedent, and I think it should be understood, and understood by the whole world, that the United States alone is to say who shall come into the United States to form part of its citizenship.

At this moment the Senate had before it an amendment, introduced by the Immigration Committee itself in response to Mr. Hughes's representations, which was designed to reconcile the quota system with the 'Gentlemen's Agreement' by making the quota system applicable to 'an alien entitled to enter the United States under the provisions of a treaty or an agreement relative to immigration'.

> But [said Senator Reed] I think it ceases to be a question whether this is a desirable method of restricting immigration. The letter of the Japanese Ambassador puts an unpleasant burden upon us of deciding whether we will permit our legislation to be controlled by apprehensions of 'grave consequences' with other nations if we do not follow a particular line of legislative conduct. I for one feel compelled on account of that veiled threat, if it may be called that, to vote in favour of exclusion and against the committee amendment.

Accordingly, on the 14th April, this amendment was defeated by 72 votes to 2; and on the 15th and 16th the Senate twice approved (on the second occasion by 71 votes to 4) another amendment embodying an exclusion clause conceived on the same lines as

[1] For the resemblances and differences in other respects between the Senate Bill and the House Bill see Section (ii) above.

[2] See *The Times*, 15th April, 1924.

that contained in the House Bill which had been approved on the 12th.[1]

This action on the Senate's part was not accepted without demur by public opinion. Indeed, it aroused widespread misgivings, which found expression in the Press, and at least one Senator was not unconscious of the gravity of what he was doing.

> This action [said Senator Reed] means a waste of twenty years of excellent diplomacy, means a waste of the fortunate and happy results that followed the ratification of the Four-Power Treaty in regard to the Pacific, and it means throwing away the good relations, or a large part of them, that followed the prompt and friendly action of America after the Japanese earthquake last year.[2]

These sentences were echoed, almost word for word, on the other side of the Pacific, in a statement issued on the 15th April by the Japanese Foreign Minister, Baron Matsui, to American press correspondents in Tokio. After alluding to the esteem in which the Americans had come to be held by the Japanese as a result of the initiative which they had taken at the Washington Conference and of their humanitarian work at the time of the Tokio earthquake, he remarked :

> If now we get from you an experience of a different character, it will undo some of that spirit of friendship and esteem in which we have long been happy to regard you. With a nation of the character of yours, regard for others is, we believe, a consideration of no mean importance ;

and he summed up the situation in the remark that

> it seems to us that we are appealing against action that can only wound us and can bring little satisfaction to you.[3]

On the 17th a similar statement to the American press correspondents was issued by the Japanese Prime Minister, Viscount Kiyoura, in which, employing conciliatory language, he admitted the right of Congress to take the action which they had taken, but deprecated the exercise of this right in a manner which might impair the good-will created by previous acts of friendship.[4] On the 19th the State Department at Washington made public a further note from the Japanese Ambassador, in which he disclaimed any intention of menace or discourtesy in the phrasing of his previous note, while

[1] The Senate, like the House, were careful to insert a saving clause safeguarding existing treaties—a category which included the Japanese-American commercial treaty of 1911 but not, of course, the ' Gentlemen's Agreement ', which technically was not a treaty.

[2] For these quotations from the debate in the Senate, and for the votes subsequently taken, see *The Times*, 15th, 16th, and 17th April, and *Le Temps*, 16th and 17th April.

[3] See *The Times*, 16th April, 1924.

[4] *Ibid.*, 19th April, 1924.

in a reply, published simultaneously, Mr. Hughes declared that no such intention had ever been read into the note by him.[1] The mischief, however, was done. On the 17th the Senate had already adopted, by 62 votes to 6, the text of a Bill containing the Exclusion Clause, borrowed from the House Bill, which had been embodied in the amendment of the 16th ;[2] so that, when the two Houses went into conference, it was a foregone conclusion that, subject to the President's right of veto, the Exclusion Clause would appear in the final Act. On the strength of Mr. Hanihara's second note, President Coolidge induced the Conference Committee, on the 7th May, to recommend that the coming into force of the Exclusion Clause should at least be postponed from the 1st July, 1924, to the 1st March, 1925 ;[3] but on the 8th this proposed concession was defeated by a small majority in the House and was therefore omitted from the Conference Committee's final report.[4] In these circumstances Mr. Coolidge did not exercise his right of veto (had he done so, it is almost certain that the Bill would immediately have been passed again, over his head, by the majority constitutionally required) ; but on the 26th May, when he completed the passage of the Bill into law by affixing his signature, he simultaneously published a statement expressing his dissent from the policy of the Exclusion Clause, and declaring that he would disapprove it without hesitation if it stood alone and did not form part of a comprehensive measure of in other respects imperative legislation.[5]

Meanwhile, the United States Ambassador in Tokio, Mr. Woods, who had taken a leading part in the organization of relief after the earthquake and had not concealed his disapproval of the Exclusion Clause during the passage of the Bill through Congress, had resigned his post on the 19th May, when the final decision of Congress became known in Tokio.[6] The resignation of Mr. Hanihara, the Japanese Ambassador in Washington, followed, and in December 1924 he was replaced by Mr. Matsudaira, to whom Mr. Hughes, contrary to precedent, extended a cordial welcome in a formal public statement.[7] On the 28th May an official protest against the enactment of the Bill was published by the Foreign Office at Tokio ;[8] and on the 31st

[1] See *The Times*, 21st April, 1924. [2] *Ibid.*, 12th May, 1924.
[3] *Ibid.*, 9th May, 1924. [4] *Ibid.*, 12th May, 1924.
[5] The text of this statement is reprinted in the Appendix to the present volume.
[6] Family affairs were the ground officially given for his resignation (see *The Times*, 21st May, 1924). His successor, Mr. Edgar A. Bancroft, arrived at Yokohama on the 17th November, 1924.
[7] See *The Times*, 19th December, 1924. [8] *Ibid.*, 29th May, 1924.

a note to the same effect, covering a memorandum from the Japanese Government, was handed by Mr. Hanihara to Mr. Hughes. To this the Secretary of State replied in a note dated the 16th June. Both notes [1] were conciliatory in tone and were ably reasoned; and Mr. Hughes, who had no difficulty in demonstrating that the United States was acting within her rights, did not disguise the fact that he deprecated, no less than Viscount Kiyoura, the use which Congress had made of them. Indeed, if the matter had lain in the hands of the statesmen and diplomatists on both sides, there is no reason to suppose that the good relations between the two Powers would have been disturbed. President Coolidge and Mr. Hughes, as well as Viscount Kiyoura, Baron Matsui, and Baron Shidehara,[2] were fully alive to the gravity of the situation and deeply concerned to prevent Japanese-American relations from taking a turn for the worse. Unhappily, however, the defeat of their combined efforts by the Congress of the United States offered opportunities for mischief which were not neglected by irresponsible people on both sides. In Japan the news of the enactment aroused the nation for several weeks to a dangerous pitch of excitement. On the 31st May and the 4th June two persons committed suicide as a protest against the passage of the Act,[3] and on the 10th June the funeral of one of them was the occasion of a great popular demonstration. On the 5th June, when Mr. Woods sailed for the United States, crowds attended to bid him farewell as a mark of esteem for his person and of regret for the good-will between the two nations which seemed to be departing with him.[4] In Tokio, on the 7th June, a dance at the Imperial Hotel, at which Japanese as well as Westerners were present, was interrupted by a party of men, several of them dressed in Samurai costume, who protested to their fellow-countrymen present against dressing and dancing like Americans and keeping Western company.[5] On the 1st July an unknown Japanese entered the precincts of the American Embassy, lowered the American flag, cut it in two, and escaped without being arrested.[6] These were a few incidents which stood out against a background of public agitation.

[1] Texts in Trevor, *op. cit.*, pp. 64–74.

[2] See the speech delivered in the Japanese Diet by Baron Shidehara, the new Foreign Minister, on the 1st July, the date on which the United States Immigration Act of 1924 came into force. On the same date both Houses of the Diet passed resolutions deploring the enactment in the United States of legislation which impaired a friendship of seventy years standing.

[3] See *The Times*, 5th June, 1924. There appear to have been three such suicides in all.

[4] *Ibid.*, 6th June, 1924.

[5] *Ibid.*, 9th June, 1924.

[6] *Ibid.*, 3rd July, 1924.

On the 14th June, however, a strongly worded proclamation,[1] calling upon the people to subordinate personal feelings to the national interest, which might be compromised by such methods of discharging emotions, was published by the Prefect of Police of Tokio ; and the excitement on that side of the Pacific gradually subsided without any fatality having occurred.

While the United States Immigration Act of 1924 was producing these untoward effects upon the personal relations between individual Japanese and Americans, it was also reacting upon public policy concerning Japanese immigration in other countries of the American Continent. In Canada, for example, where the conclusion of a new agreement between the Canadian and Japanese Governments for the regulation of Japanese immigration had been announced by the Prime Minister in March, the Canadian version of the ' Gentlemen's Agreement ' was attacked in Parliament in April by an independent member from a constituency in British Columbia, who urged the Government to extend to Japanese immigrants the unilateral restrictions already in force against the Chinese,[2] in spite of the fact that, under the revised agreement, Japan had consented to issue no more than 150 passports annually to Japanese nationals seeking entry into Canada as domestic servants or farm labourers.[3] At the beginning of June, in answer to a parliamentary question, the Canadian Minister for Immigration stated that the question of the advisability of placing further restrictions on Japanese immigration was under consideration.[4] In this Canadian anti-Oriental movement, British Columbia took the lead which in the United States was taken by California, and in December 1924 two militant measures were introduced into the Provincial Legislature—one a Bill to prohibit the employment of White female domestic servants in the same house as Orientals,[5] and the other a resolution calling upon the Dominion Government to petition the Imperial Government that the Anglo-Japanese Commercial Treaty of 1911, to which Canada had acceded with a reservation in regard to immigration, should be abrogated as far as Canada was concerned.[6] Thus the new anti-Japanese legislation in the United States produced an immediate demand for corresponding action in the adjacent English-speaking

[1] For the text (in a French translation) see *Le Temps*, 19th June, 1924.
[2] See *The Times*, 17th April, 1924.
[3] *Ibid.*, 4th June, 1924.
[4] *Ibid.*, 4th June, 1924.
[5] Apparently this Bill arose out of a murder case in which suspicion had at first attached to a Chinese servant, who was afterwards cleared.
[6] See *The Times*, 13th December, 1924.

country. On the other hand, several of the Latin countries of America appear to have taken pains, on this occasion, to dissociate themselves from the Oriental immigration policy of their great neighbour. On the 13th April, 1924, when the Bills before the United States Congress were in their critical stage, the Mexican Ministry of the Interior is reported[1] to have announced that a private Mexican financier was negotiating for the emigration to Mexico of 32,000 Japanese agriculturists in California in view of the anti-Japanese land legislation in that state,[2] and that the Mexican Federal Government was in consultation with the governors of the Mexican states in which these Japanese desired to settle. In September 1924 it was reported that the Japanese Government had dispatched a mission to visit Mexico and the South American Republics in order to study the possibility of developing Japanese immigration into these countries as alternatives to the United States, and also that it had subsidized a Japanese shipping line in order to establish a passenger-service between Japan and South America.[3] In October, again, it was reported that the Brazilian Government had informed the Japanese Government that it authorized the entry of 3,000 Japanese into Brazil.[4] At the time of writing it was not yet clear whether these overtures between Japan and the Latin American countries above mentioned were more than mere diplomatic gestures; yet, even if this were all, it was significant that, on so momentous an international question as that of Oriental immigration, the Latin-speaking nations of America should dissociate themselves pointedly from the policy of their English-speaking neighbours.

Thus, at the close of the year 1924, the Pacific, which, during the two years following the termination of the Washington Conference, had almost been restored to its traditional calm, was once more overcast with clouds and astir with movements that portended a storm.

> Usque adeo taetrâ nimborum nocte coortâ
> Impendent atrae formidinis ora superne
> Cum commoliri tempestas fulmina coeptat.

In May 1924, a week before the Immigration Act was signed by President Coolidge, the Chairman of the Naval Affairs Committee of the House of Representatives announced that, before the close of the Session, Congress would be asked to authorize the expenditure of at least $150,000,000 (£30,000,000) in order to bring the United

[1] *Ibid.*, 15th April, 1924.
[2] For this legislation see the present section, pp. 138–40 above.
[3] See *Le Temps*, 10th September, 1924. [4] *Ibid.*, 30th October, 1924.

States navy up to the full strength permissible on the ratio which had been laid down in the Five-Power Treaty of 1922.[1] Later in the year an attempt was even made to hinder the execution of the Five-Power Treaty. On the 11th November, 1924, an action was brought in the Supreme Court of the District of Columbia to prevent the Secretary for the Navy from proceeding with the destruction of the capital ship *Washington*, which the terms of the treaty required ; but on the 14th November the Court refused to issue an injunction to this effect, and on the 25th November the *Washington* was duly taken out to sea and sunk by gun fire. Towards the close of the year it was announced that the next American naval manœuvres were to be held in the waters round the Hawaiian Islands, the oceanic outpost of the United States in the direction of the Japanese Empire. At about the same time the change of ministry in Great Britain led to a revival of the scheme for developing the Singapore dockyard into a first-class naval base,[2] and it was arranged that combined manœuvres of the British China Squadron and the Australian Fleet should be held in the waters adjoining Singapore in February 1925. It is true that neither the Hawaiian manœuvres nor the Singapore scheme contravened any treaty, agreement, or understanding between Japan and either of the other two leading naval Powers ; the Japanese Empire lay far beyond the range of battle-fleets based on these positions ; and whether or not the Japanese Government shared the disquietude with which these naval developments in other parts of the Pacific appear to have been regarded by certain sections of the Japanese public, it refrained from all protest and in every way maintained a scrupulously correct attitude. Nevertheless, the Japanese Government found it politic, in view of the state of public opinion, to decline an informal suggestion that the American Fleet, which was to visit New Zealand and Australia after the termination of the Hawaiian manœuvres, should also pay a visit of courtesy to Japan in the course of the same voyage.

Thus, though the surface waters were still almost unruffled, the alarming possibility remained that, by the headstrong action of Congress, the fountains of the great deep had been broken up, and therefore the peoples of the Pacific began to relapse into that state of nervous expectancy which had prevailed before the Washington Conference and which had happily been relaxed for a time by the

[1] See *The Times*, 22nd May, 1924.

[2] See the statesmanlike remarks on the revival of the Singapore Scheme which were made by Viscount Kato, the Japanese Prime Minister, at a banquet of the Seiyukwai Party on the 18th December, 1924.

comprehensive understanding in which the Conference had ended. A Japanese observer of the change might silently console himself with the reflection that the Envy of the Gods, which his country had called down upon herself during the decade following August 1914, and which she had expiated in the earthquake of 1923, had now been diverted towards the United States, and that if, sooner or later, the issue between these two Great Powers were to be decided by force of arms, the stars in their courses might be expected, this time, to fight against America and not against Japan. No such consolation, however, was open to an English observer in foreboding a conflict between the leading Oriental Power and the leading English-speaking Power in the Pacific—a conflict which Great Britain would be almost powerless to avert while she would be certain to suffer profoundly from its consequences. As a citizen of the Old World, where a consciousness of the tragic history of Mankind was impressed at every turn upon the imagination, he would be filled with misgivings as he observed the temper of a younger kindred nation overseas, and would be inclined to exclaim, with Solon :

τίκτει γὰρ κόρος ὕβριν' ὅταν πολὺς ὄλβος ἕπηται
ἀνθρώποισιν ὅσοις μὴ νόος ἄρτιος ᾖ.

The hopeful feature in the situation was that this disquietude was shared by a considerable body of American opinion, which disapproved not so much of what Congress had done as of their manner of doing it.

STATISTICS[1] OF JAPANESE NATIONALS RESIDENT ABROAD ON THE 31ST DECEMBER, 1913, AND THE 1ST OCTOBER, 1920.

PLACE OF RESIDENCE.	NUMBERS RESIDENT: *On the 31st December, 1913.*		*On the 1st October, 1920.*	
The Far East and the Pacific :				
Russia	4,595		7,028	
China	107,704		121,638	
Hong-Kong	1,214		3,083	
French Indo-China	563[2]		371	
Siam	194		289	
Burma	—		680	
India	874[3]		1,278	
The Straits Settlements	5,166		10,828	
The Dutch East Indies	2,304		4,435	
Australia	6,661		5,274	
The Philippine Islands	4,294		11,156	
Hawaii	88,526		112,221	
Total	———	222,695	———	278,281

[1] Extracted from the *Résumé statistique de l'Empire du Japon* for 1915 and 1923 respectively. [2] Including Japanese residents in Macao (Portuguese).
[3] ? Including Burma.

Place of Residence.	Numbers Resident: On the 31st December, 1913.		On the 1st October, 1920.	
English-speaking America:				
Continental United States	77,736		115,551 [1]	
Canada	12,253		17,713	
Alaska	774		—	
Total		90,763		133,264
Latin America:				
Mexico	2,737		2,198	
Panama	—		225	
Peru	4,858		10,200	
Bolivia	60		674	
Chile	306		484	
Argentina	642		1,958	
Brazil	11,893		34,208	
Total		20,496		49,947
Europe	1,217		2,953	
Africa	—		73	
Total resident abroad		335,171		464,518
Japanese nationals resident in leased territories, mandated territories, and railway zones not under Japanese sovereignty:				
Leased territory of Kwangtung			153,905	
Leased territory of Kiaochao			23,555	
Tsingtao-Tsinanfu Railway Zone			4,502	
Islands Mandated to Japan in the Pacific			3,671	
Total				185,633

[1] Including Alaska.

PART I

WORLD AFFAIRS

C. THE THIRD (COMMUNIST) INTERNATIONAL AND THE UNION OF SOVIET SOCIALIST REPUBLICS (1923–4)

(i) Introductory Note.

In the course of the year 1924 *de jure* recognition was accorded to the Union of Soviet Socialist Republics by Great Britain, Italy, and France in succession ; and thus, after a lapse of more than six years, the three Principal European Allied Powers once more found themselves in official relations with a Government exercising sovereignty over the greater part of those territories which, before the Bolshevik Revolution of 1917, had belonged to the Russian Empire. At this point, therefore, it may be convenient to examine briefly the likenesses and differences between the two states which respectively occupied the soil of Russia at the two dates in question.

The Russian Empire which ceased to exist in 1917 had stood, during the preceding two and a half centuries, in a peculiar dual relation to Western society, to which the nearest historical parallel was perhaps the relation between the Seleucid Monarchy in the third and second centuries B. C. and the Greek world of that age. While the Seleucids were regarded (sometimes with reverence and sometimes with aversion) as apostles of Hellenism by the Jews, Iranians, and other Oriental peoples included in their vast dominions, the Greek citizen of Athens or Rhodes looked down upon these Greek heirs of Darius and Xerxes as little better than barbarians themselves. So it was with the Romanovs. To the peoples of Islam and the Far East, over whom they cast their shadow, they represented Western civilization—orderly, alien, and irresistible—whereas a German farmer in East Prussia or a British officer on the north-west frontier of India, as he turned his eyes in the direction of Russia, felt himself to be standing on the extreme verge of the civilized world and thought of the vast empire beyond, not as an outpost of the West, but as the threshold of an Oriental realm of darkness and ancient night which was perpetually threatening to bar the advance

of Western civilization, and even to contaminate the West itself, with its invincible ignorance, inefficiency, cruelty, and corruption.

This dual aspect, under which the Seleucid and Romanov Empires each appeared according to the points of view from which they were regarded, was due to a real similarity between their situations. In either case, a gigantic political structure (the Persian Empire and the Czardom of Muscovy) which had arisen in response to the native needs of the populations which it held together, had subsequently been converted, suddenly and artificially (in the one case owing to the military conquest of the East by Alexander the Great and in the other owing to the spiritual conversion of Peter the Great to Western civilization), into an instrument for inoculating these populations with an exotic culture. The effect of this treatment upon those subjected to it was so potent that it occupied the whole field of their consciousness and caused them to regard the Empire through which the process was being carried on as an essentially alien organization. At the same time this human mass upon which the experiment was being made was so vast in proportion to the quantity of leaven at work, and the leavening process appeared so gradual when viewed from outside, that Western observers were hardly able to discern a ferment which, for the Orientals among whom it was at work, was a shattering experience. The result was that Western society repudiated, as something alien to itself, a political organization which was actually serving as a not ineffective channel for the propagation of Western culture, and Western opinion only became aware too late, when the hybrid empire had been overthrown as suddenly as it had been created, how great in fact was the hitherto unacknowledged service which it had been rendering, in spite of all its shortcomings. In the case of the Romanov Empire these posthumous regrets were sharpened by the unexampled rapidity with which events moved after the catastrophe had occurred. The Romanov Empire was broken by the impact of Germany in the War of 1914, as the Seleucid Empire was by that of Rome in the campaign which ended in 189 B.C. with the Battle of Magnesia ; and in either case the immediate result was chaos. The border provinces through which the hybrid empire was attached to the Western world of the time gravitated, in accordance with their natural affinity, towards their Western neighbours, while in the Oriental hinterland every village community reverted to a self-contained economy and every half-assimilated nomadic or highland tribe hastened to shake off a yoke to which it had never morally submitted. At this point,

however, the two courses of events ceased to run parallel. After the fall of the Seleucid Empire many centuries elapsed before the void left by it in the Oriental hinterland, beyond that fringe of border provinces which had been incorporated in the Roman Empire, was occupied again by political and cultural forces of an active nature. After the fall of the Romanov Empire, on the other hand, the work of centuries seemed to be accomplished in a few years; for while the western border provinces duly gravitated towards the West—for the eight months following the Treaty of Brest-Litovsk under the military domination of Germany, and thereafter, under the loose hegemony of the victorious Allied Powers, as sovereign States Members of the League of Nations [1]—the vast hinterland of the defunct empire was reassembled and reorganized, before the close of the year 1920, under the sovereignty of a new Power which arose, Phoenix-like, out of the ashes of the Czardom. It was as if, in the Ancient East, the fall of the Seleucid Empire had been followed at an interval, not of eight centuries but of four years, by the rise of the Islamic Caliphate.

The Union of Soviet Socialist Republics, which succeeded the Romanov Empire on Russian soil at this astonishingly brief interval,[2] presented two broad contrasts to its predecessor. In the first place, it was committed to the service of Communism in the form of a 'missionary religion' permanently at war with Western civilization. In the second place it was organized on an elaborate federal basis of devolution within devolution, which was calculated to give some measure of autonomy (in constitutional law, if not in political practice) even to the smallest and most backward of the many nationalities contained within its frontiers. In both these respects it was the antithesis of the Romanov Empire, which had been designed to Westernize its non-Western subjects and at the same time to Russify its non-Russian nationalities.

The nature and methods of the world-wide propaganda which was conducted by the Third or Communist International from its headquarters in Moscow will be discussed in the next section; but,

[1] Poland received full *de jure* recognition on the 28th June, 1919; Esthonia on the 26th January, 1921; and Latvia on the 22nd September, 1921. Lithuania became a Member of the League of Nations on the 21st September, 1921, but was not recognized *de jure* by the Principal Allied Powers till the 20th December, 1922.

[2] Strictly, the Russian Empire was succeeded by the Russian Socialist Federal Soviet Republic and this was succeeded in turn by the Union of Soviet Socialist Republics, in which, of course, the R.S.F.S.R. remained the predominant member.

before entering upon this obscure though important subject, it is necessary to examine the relations between this new ' world religion ' and the new Power which provided it with a base of operations on Russian soil.

To many Western readers the classification of Communism as a religion—even as a bad religion—may appear fantastic. Its doctrines, they will say, were not a religious creed but an economic theory.[1] The essence of religion, however, lies not in the content of the doctrines professed but in the spirit animating the votaries, and it is impossible not to recognize that the doctrines of Karl Marx were preached and practised in an entirely different spirit by the Communist adherents of the Third International of Moscow and the Socialist adherents of the Second International of London,[2] though in formal content the dogma of the two organizations was identical. If the revolutionary part of the Marxian dogma still figured among the official articles of faith of Social-Democratic Parties and Labour Parties in European countries, for them it had long ago become a pious formula, since in any European country in which a Socialist Government had yet held office, the Socialist Party had already become convinced constitutionalists before their advent to power, with the implication that, if the Marxian programme could only be carried out by overriding the existing constitution of their country, their loyalty to the constitution would take precedence over their desire to put their creed into practice. In arriving at this position, the Socialist Parties in European countries had placed themselves in much the same relation to the *Bourgeois* or ' Capitalist ' parties as that in which these parties stood to each other. The political differences dividing them were important and often acute, but they were differences within limits which all parties were agreed not to overstep. On the other hand, the European Socialists now found themselves divided from the Communists, who shared their tenets, by a moral gulf, because the Communists held these self-same tenets, not as a political programme of merely relative validity, but rather as absolute commandments which overrode all other obligations and which must be executed in season and out of season

[1] It is to be noted, nevertheless, that communistic tendencies have sometimes characterized the early phases of ' missionary religions ', especially of those which have sprung from the proletariat. For such tendencies in the primitive Christian Church see *The Acts of the Apostles*, Ch. IV, verses 32–7. For the Communism of the Persian Prophet Mazdak in the sixth century after Christ see Professor Edward Browne, *A Literary History of Persia*, Vol. i, Ch. IV (London, 1908, Fisher Unwin).

[2] The Labour and Socialist International or ' L.S.I.'

without counting the cost. They held the belief that prophets come to bring not peace but the sword, and that the Church Militant is the only Church worthy of the name. For them the Proletarian Revolution was an end in itself, which justified any means employed to attain it; and hence their warfare against 'Capitalist' or *Bourgeois* society, which in their language meant Western society in almost all its aspects, was bitterest when they came into conflict with the adherents of the Second International, whom they—correctly, from their point of view—confounded with the *Bourgeoisie* as upholders of the hated order which they were attacking on all fronts.

This special bitterness was natural, for whereas the *Bourgeois* was accepted by the Communist as an open adversary, the Marxian Socialist who was affiliated to the Second International appeared to him like a man sinning against the light in order to betray a cause to which he had formally pledged his service. For this reason the vituperation which the representatives of the Third International had long poured out upon the British Labour Party became still more virulent when Mr. Ramsay MacDonald's Government took office on the 22nd January, 1924. To convinced Communists it seemed a final proof of their insincerity that professing Marxians should uphold a *Bourgeois* constitution in a country in which they had come into power, while Mr. MacDonald and his colleagues would no doubt have regarded it as an utter betrayal of their trust (as well as an act of political folly) if they had attempted to use for revolutionary purposes the mandate conferred on them by a Parliamentary General Election. Socialist politicians of standing and experience in European countries could not be expected to turn the other cheek to their Communist assailants; and during the six years following the Armistice of November 1918 some of the heaviest blows suffered by either party were inflicted by Marxians of the other camp. In Russia, it was the Bolsheviks who overthrew the Menshevik or Constitutional Social-Democratic régime and persecuted its adherents as counter-revolutionaries. In Germany, it was Herr Noske, one of the leaders of the Social-Democratic Party in the *Reichstag*, and not any *ci-devant* Prussian officer, who crushed the attempt at a proletarian revolution in January 1919, on the eve of the general elections to the National Assembly; and, after the Weimar Constitution had come into force, the Majority Socialists steadily co-operated with two *Bourgeois* parties (the Democrats and the Catholic *Zentrum*) to uphold, against threats from both sides, a parliamentary constitution under which they had no prospect of

obtaining a majority for their official programme of progressively socializing the means of production.[1] In Great Britain, where the disturbance of social equilibrium in consequence of the War was happily much slighter than in either Russia or Germany, the conflict between the adherents of the Second and Third Internationals did not take these violent forms ; yet it is significant that on the 7th October, 1924, the Parliamentary Labour Party officially decided that Communists were ineligible to membership, while the defeat of the Labour Party in the General Election held on the 29th of the same month was due in large measure to the publication of a letter, addressed to the British Communist Party, the original of which was alleged to have borne the signature of M. Zinoviev on behalf of the Presidium of the Communist International in Moscow.[2] If this document was genuine, the conclusion suggests itself that the result actually achieved—of discrediting the policy of Mr. MacDonald and his colleagues in the eyes of their own countrymen—was deliberately intended.

The difference of outlook between the two parties was aptly expressed by Mr. MacDonald on the 14th April, 1924, in the speech with which he opened the Anglo-Russian Conference.

> In the course of your revolution you resorted to methods which roused the utmost fear and resentment elsewhere . . . . Your method of government is not the same as ours. The fundamental points of distinction have been well brought out since you left Moscow, I believe, in a diatribe directed against myself by Zinoviev. I welcome in its proper place the emphasizing of that distinction, because it is true and because it is of great assistance to me and the Government.[3]

In an address delivered at the Thirteenth Conference of the Russian Communist Party, which was in session in Moscow when the news arrived of Mr. MacDonald's advent to power, Zinoviev was reported [4] to have expressed himself as follows :

> What will MacDonald's Cabinet represent from the point of view of the development of the International Labour movement and the International Revolution ? With regard to the ' top strata ' and petty Parliamentary politicians, it is of no great importance. But with regard to the mass Labour movement it will be an event of the utmost

[1] See *H. P. C.*, Vol. ii, Ch. VII, for the internal history of Germany between the Armistice of the 11th November, 1918, and the coming into force of the Versailles Treaty on the 10th January, 1920.

[2] For the history of this incident, which still remained a mystery at the time of writing, see Section (iv) below.

[3] Quoted from *The Manchester Guardian*, 15th April, 1924.

[4] See *The Times*, 6th February, 1924.

> importance. You all remember how, at the Second Congress of the Communist International, Lenin advised the young British Communist Party to support the 'Menshevik' British Labour Party, to vote for its candidates and help it to come into power at the earliest opportunity. You remember, too, how frankly Lenin explained (there is no need to make a secret of the fact) that we should support the British Labour Party, MacDonald's party, in the same way as the rope 'supports' the man who hangs himself. He said that the sooner they came into power the better, because their failure would become evident, and the illusions of British Labour be dispelled all the sooner, and the road cleared for the proletarian revolution.

A few days later, the Third International appears to have issued a programme of action for the British Proletariat in view of the accession to office of the Labour Government, in which the same ideas were put forward.[1]

These expressions of feeling and opinion, to which the executive head of the Third International gave utterance on an important official occasion and which were reported, apparently contrary to precedent,[2] in the Moscow Press, indicate that the issue between the Third International and the Second, and *a fortiori* the issue between Communism and *Bourgeois* society, was different in kind from those which ordinarily divide political parties, even at their furthest extremes. In this conflict, the passions aroused on both sides were so intense and the mutual sense of estrangement was so profound that it can only be compared to the feuds between religions —feuds like those which once divided Islam from Christendom, the Shi'a from the Sunna, or Protestantism from the Catholic Church. We have now to examine the relations between the Communist Church Militant, established in Moscow under the name of the Third International, and the Union of Soviet Socialist Republics, of which Moscow was at the same time the political capital.

The first point to be remarked is the disparity of numbers between the population of the U.S.S.R. and the Russian Communist Party.

[1] The following passage occurs in the summary given in *The Times* of the 23rd February, 1924 :

> British friends of Communism are exhorted to realize that the Labour Government is merely a product of the disintegration of Great Britain and does not really represent the interests of British Labour, as it is unable and unwilling to wage class warfare energetically. The Labour Government, this document continues, is mistakenly striving for class harmony, but without a revolution and the smashing of the entire machinery of the State it is futile to expect emancipation. The majority of British workers harbour democratic illusions ; it is the duty of the Communists to mobilize the masses, to exert pressure on the Government, to awaken the latent powers of the proletariat, and to force it into serious battle with the capitalist class.

[2] See *The Times*, 6th February, 1924.

When the fullest allowance has been made for losses through war, famine, pestilence, and the secession of border territories, the total population of the U.S.S.R., at the beginning of the year 1924, can hardly be estimated at less than 120,000,000, while Zinoviev himself is reported [1] to have stated in February 1924 that the total membership of the Communist Party throughout the Union had never risen to more than 800,000, and stood at that moment at only 286,313, of whom 100,000 were officials, 40,000 were students, 50,000 were factory workers, and only 38,179 were soldiers in the Red Army.[2] How was it possible, a Western reader may ask, for so insignificant a minority to impose and maintain Communism as the established religion of a great state ? The best answer is that a resolute and well-organized minority had imposed an exotic system of life upon the population of Russia at least twice before in the recorded history of the country. In the year 989 the leader of the Varangians—a body of foreign military adventurers who at that time dominated Russia by holding the towns and the lines of communication and making periodical raids to collect tribute from the villages, in much the same way as the Bolsheviks dominated the same country in the years 1918–21—decided, for his own purposes, to impose on his subjects the Orthodox form of Christianity with all the paraphernalia of Byzantine culture which it carried in its train. 'The edict of Vladimir had proclaimed that all who should refuse the rites of baptism would be treated as the enemies of God and their prince ; and the rivers were immediately filled with many thousands of obedient Russians, who acquiesced in the truth and excellence of a doctrine which had been embraced by the great duke and his boyars.'[3] About seven centuries later, Peter the Great decided to impose on the descendants of these converts the equally exotic culture into which he had become initiated during his travels in the Western world, and the Russians, obedient as ever, changed from

[1] See *The Times*, 12th February, 1924. According to the *Corriere della Sera* of the 27th May, 1924, Stalin, the Secretary-General of the Russian Communist Party, informed the Congress of the Third International, which was in session in Moscow during that month, that 485,000 new members were admitted to the Party in 1923 and 400,000 in 1924. On p. 14 of *The Official Report of the British Trade Union Delegation to Russia in November and December, 1924* (London, 1925, published by the Trade Union Congress General Council, 5*s*.) the membership is stated to have been 350,000 in 1924, 373,000 in 1923, and 585,600 in 1921, the last figure being the highest up to date.

[2] This last figure appears to have been given by Zinoviev in an address to the Soviet Congress of the U.S.S.R. (See *The Times*, 11th February, 1924.)

[3] Gibbon, *The Decline and Fall of the Roman Empire*, Ch. LV.

beards to wigs and from kaftans to coats and waistcoats. The Orthodoxy and the Westernism which were imposed in this manner both came to stay, and gradually, no doubt, their hold on the Russian people increased in proportion to the number of centuries during which they had been officially established. There is no reason, however, to suppose that, in the seventh year after their introduction, the number of their convinced and active adherents was greater, relatively to the total population of Russia, than the number of members of the Russian Communist Party registered in the territories of the U.S.S.R. in February 1924; and even by that date the Party, which was a privileged corporation with a jealously restricted membership,[1] by no means included all Communists in the territories of the U.S.S.R. Outside the Party ranks there was already a floating mass of lukewarm or passive adherents, especially in the towns; and thus, in the light of Russian history, there was nothing surprising in the fact that the Russian people should have permitted Lenin and his handful of companions to establish Communism as a new official religion of the Russian State. Russia had always been a 'Holy Russia', dedicated to the service of some church which claimed a monopoly of inspiration. The novelty of the situation created by the Bolshevik Revolution lay not in this, but in the fact that Communism, in contrast both to Vladimir's Orthodox Christianity and to Peter's Western culture, was an established religion which placed Russia in a state of war with the predominant civilization of the age, instead of fostering sympathy and promoting intercourse between her and her more civilized neighbours.

In view of this aspect of Communism, which, as has been seen above, was not superficial or transitory but fundamental, it was evidently a disaster for the peoples and countries included in the U.S.S.R. that Communism should have been imposed upon them. Backward as they were, they had always stood in need of cultural stimulus from abroad; and the earlier imposition of Orthodoxy and Westernism, in which they had had as little voice as they had in the Revolution of 1917, had been incontestably beneficial to them just because it had opened new channels for the inflow of progressive influences. After the War of 1914, in which these peoples had been stricken more sorely than any others, it was more imperative than it had ever been in their history that their doors should be opened wide to every proffer of assistance and relief; the organized co-operation of the whole of civilized society would hardly have sufficed to

[1] See Section (ii) (*b*) below.

accomplish the immense task of reconstruction ; and at this crisis Russia had the supreme misfortune to fall under a régime which deliberately denied to her the means of salvation. The result was a latent conflict—never avowed yet never successfully eliminated—between the Government of the U.S.S.R. and the Presidium of the Third International, and that conflict sometimes interfered, with important consequences, in the relations between these two parties and the rest of the world.

For zealots of the Communist Faith, like Lenin or his disciple Zinoviev, the immediate sufferings which their system inflicted on Russia were probably a matter of secondary concern. For them the world-wide Proletarian Revolution was the paramount aim and Russia merely an instrument, which must be sacrificed like any other in order that all Mankind, including the peoples of Russia, might eventually enter into the Communist Millennium. At the same time, Russia was an instrument of unique value to the Bolshevik leaders. She provided them with the material resources for carrying on their activities, and therefore, almost ruined though she was, she was indispensable. She was, in fact, the only base of operations which Communism had yet acquired, and her geographical situation—at the back doors of Continental Europe, the Middle East, the Far East, and India—was ideal for purposes of propaganda. In order, however, to be exploited in the interests of the Third International, Russia must be kept in working order. Her economic efficiency must not be permitted, if it could be helped, to deteriorate beyond a certain degree ; but this proposition, which so great a man of action as Lenin could not ignore, involved consequences which were bound to place him and his successors in a quandary.

If the economic life of Russia was to be restored, that could only be achieved with foreign assistance. Even in her most prosperous days, Russia had depended on foreign experts, foreign machinery, and foreign capital, in the widest sense, to keep her above the primitive level towards which she was now rapidly relapsing ; and in her present condition it was inconceivable that her economic decline should be arrested and her feet set upon the path of recovery unless these foreign agencies could again be enlisted in her service. In other words, the U.S.S.R. might cease to be an effective instrument for the anti-Capitalist mission of the Third International unless the Government of the Union succeeded in coming to terms with the Capitalist world ; and, in such negotiations, Capitalism was likely to insist on conditions which would frustrate the very purposes for

which the reconstruction of Russia was desired by the heads of the Communist organization.[1] The foreign interests which had made investments in the old Russian Empire, in the form of loans to the Government or of private economic undertakings, had been utterly ruined since the Bolsheviks had made themselves masters of the country. What inducement was there for Russia's existing creditors, or for any other foreign Capitalists, to make fresh investments in a country whose Government was committed on principle to the confiscation of private property and had ruthlessly put this principle into practice hitherto ? And even if the new régime in Russia were able to offer the individual foreign Capitalist sufficient compensation for past losses and sufficient prospect of assured profit in the future to tempt him to loosen his purse-strings again, would he be permitted by his Government, or by the public opinion of his country, to enter into a transaction with the Government of the U.S.S.R., when the profits accruing to this other party were to be dedicated to the service of a militant organization the purpose of which was the violent overthrow of ' Capitalist ', that is of Western, society ? It was quite evident that, in any negotiations between the U.S.S.R. and foreign Capitalists, the terms put forward by the Capitalists would be prohibitive from the Communist point of view, and therefore, even if the leaders of the Third International were to come to the conclusion that such negotiations were unavoidable, they were bound to watch them with the utmost jealousy and suspicion. Even if a bargain, tolerable, or apparently tolerable, to both sides were successfully struck, this might prove even more embarrassing to the Communist cause than failure ; for, supposing that the population of Russia were rescued from misery and restored to some measure of prosperity by the intervention of Capitalism and the reincorporation of the country in the world-wide nexus of the Western Capitalist System, this would no doubt be a most effective form of anti-Communist propaganda ; and what would it profit the Third International to gain ways and means for carrying on its activities abroad at the cost of throwing open its Russian citadel to the enemy ?

Thus, in the last resort, the Presidium of the Third International might prefer that Russia should perish rather than that Communism should be driven to the wall, but this view could hardly be shared by the Kommissars who had undertaken the task of keeping the

[1] See, for example, the conditions laid down in the memorandum published by a group of British bankers on the 14th April, 1924 (p. 237 below).

U.S.S.R. in being. In the early days of the Bolshevik Revolution, chance may have decided which of the Companions of the Prophet should preside over the Third International and which should take in hand the government of the U.S.S.R. Lenin himself appears always to have kept a controlling hand over either organization. Yet no man of action can avoid adjusting his point of view to the practical tasks which daily press themselves upon him for solution, and least of all can this be avoided by the head of a state. *Raison d'état* notoriously asserts itself against principles, Communist or other, and the purist fanatic of International Communism who had been compelled for half a dozen years to wrestle with the problems of Russian government would hardly remain unaffected by the experience. Moreover, as time went on, each of Lenin's lieutenants naturally tended to specialize upon the activities for which he was most suited. While Zinoviev devoted himself to the Third International, the *ci-devant* aristocrat and civil servant, M. Georges Čičerin, became the permanent occupant of the Kommissariat for Foreign Affairs of the U.S.S.R., while the *ci-devant* engineer and *entrepreneur*, M. Krassin, took upon his shoulders the burden of keeping up the economic life of the country. Training, tradition and aptitude, as well as the daily round, would incline the two latter statesmen to consider Russia first and Communism afterwards, just as corresponding influences would make Zinoviev reverse the values when a conflict of interests between the Third International and the U.S.S.R. arose.

This almost inevitable schism among Lenin's followers was probably kept within bounds by their master's personal influence. At any rate, after his death on the 21st January, 1924, the divergence in their outlooks became more apparent to the outer world and manifested itself repeatedly in the international relations of the U.S.S.R. during the year 1924. At times it seemed as though MM. Zinoviev and Čičerin were consciously working against each other. The moment when Čičerin was feeling his way towards negotiations with the British Government was chosen by Zinoviev for a campaign of denunciation against the British Empire in general and the Labour Party in particular; and as the prospect of a restoration of normal economic relations between the U.S.S.R. and the Capitalist countries of the West drew nearer, the tendency to compromise with Capitalism in the internal economy of Russia by modifying the Communist régime—a movement which had been started under the name of 'The New Economic Policy' on the

7th April, 1921 [1]—was reversed, and a new campaign was set on foot against private traders and private property. In regard, again, to the recognition of the U.S.S.R. by other Governments—especially by the Governments of the three Principal European Allied Powers—which was the principal issue in the foreign policy of the Union during 1924, the two leaders expressed views which can hardly be reconciled with one another. M. Zinoviev, speaking at the Congress of the Third International, which opened in Moscow on the 17th June, seems to have declared 'that recognition of the Soviet [Government] by Imperialist Governments was not an unmixed blessing. It created, he said, peculiar difficulties and complications, particularly the demand for payment of debts. He expected similar unpleasantness from M. Herriot.' [2] On the other hand, M. Čičerin, in a report rendered on the 18th October, 1924, to the Central Executive Committee of Soviets of the U.S.S.R.,[3] placed in the forefront of his achievements the series of recognitions which the Union had obtained during the past year; congratulated himself in particular upon the friendly relations established with Fascist Italy; and declared that 'this series of recognitions was a clear proof of the consolidation of the international situation of the U.S.S.R.' In the light of these facts, the celebrated 'Zinoviev letter', though its authenticity might still remain to be proved, could not be dismissed *a priori* as a forgery.

MM. Čičerin and Zinoviev were most flagrantly in contradiction in the respective accounts which they gave of the relations between the Government of the U.S.S.R. and the Presidium of the Third International. For example, M. Čičerin was reported [4] to have made the following statement on the 7th January, 1924, at a conference of the Russian Communist Party in Moscow:

> We stand accused of being involved in interference by the Third International in the internal affairs of other States. I repeat my declaration that the Soviet Government and the Third International

[1] This is the date of a decree giving workers a certain amount of their produce as part of their wages, which is described by Mr. Michael Farbman in *Bolshevism in Retreat* (London, 1923, Collins) as 'the first step in a series of measures which, taken together, are described as the New Economic Policy'. It may be noted, however, that Lenin had laid down the programme of the New Economic Policy as early as the time of the peace negotiations at Brest-Litovsk, though on that occasion he was compelled to withdraw, as he failed to carry MM. Trotski and Kamenev with him.

[2] See *The Times*, 19th June, 1924.

[3] For an abridged French translation of the text see *L'Europe Nouvelle*, 8th November, 1924.

[4] See *The Times*, 19th January, 1924.

> are absolutely independent of each other. We have no responsibility for the activities of the Third International.[1]

At the same conference, M. Litvinov appears to have used similar language.

> Even our enemies know that there is no connexion between the Soviet Government and the Third International.

And, on the 14th February, 1924, the Soviet Government was reported [2] to have issued an official declaration to the same effect. On the other hand M. Zinoviev, in addressing the Soviet Congress of the U.S.S.R. during the same month, appears to have made a statement incompatible with these assertions.

> The Russian Communist Party guides the Soviet Government ; the party is the Government's head. Our party finds things difficult without Lenin ; nevertheless it can manage with the Third International and the Trade Union International.[3]

The truth appears to have been that the Russian Communist Party was the driving force behind both the Soviet Government [4] and the Third International,[5] but that, at any rate after the death of Lenin, the pre-established harmony between the two derivative organizations broke down.[6]

[1] See *Le Temps* of the 28th September, 1924, for a more substantial declaration to the same effect by M. Čičerin *à propos* of an accusation made by Mr. Charles Evans Hughes.

[2] See *The Times*, 15th February, 1924.

[3] Quoted from *ibid.*, 11th February, 1924.

[4] For the dependence of the Soviet Government on the Russian Communist Party see a statement made by Kamenev on the 10th January, 1924, at a conference of the Communist Party of Moscow Province, as reported in *The Times* of the 19th January, 1924.

[5] The dependence of the Third International upon the Russian Communist Party is declared in the following passage (quoted in *The Times* of the 8th March, 1924) from an article published in the *Pravda* by Mme Clara Zetkin :

> The Communist International's existence, growth and influence is closely and indissolubly bound to that of the Russian Communist Party. Indisputably the Russian party conducts the affairs of all the world's proletarian organizations. The Russian party is the broad base and the creative spirit of the Communist International. The Bolshevist victory proclaimed Socialism on Russian soil, but the revolution towards our beautiful goal must be continued on an international scale by the proletariats in the highly developed capitalist countries.

[6] The failure of co-ordination between the Soviet Government and the Third International is the more striking in view of the fact that the *personnel* of their governing bodies was partly the same. For example, the new Executive Committee of the Third International which was elected by the Third Congress of the 17th June–8th July, 1924, included two Kommissars of the U.S.S.R. (Rykov and Kamenev) as full members, and two others (Sokolnikov and Trotski) as substitute members.

Foreign Governments which attempted at this time to enter into normal relations with the Government of the U.S.S.R. almost invariably found by experience that this Government was not an independent agent, and when it became apparent that the directive force in the background was also the force which was behind the Third International, the foreign negotiators were naturally exasperated and disgusted. They accused the Soviet Government of disingenuousness, and this charge could hardly be rebutted; but when the Press and public of Western countries described this disingenuousness as 'Machiavellian', they were paying the Bolsheviks a compliment which they did not deserve. Machiavelli would have given short shrift to a disingenuousness which resulted in failure, and in 1924 the cross-purposes of Čičerin and Zinoviev involved the diplomacy of the Bolsheviks in two almost ludicrous fiascos: the suspension of economic relations between the U.S.S.R. and Germany [1] and the breakdown in the Anglo-Russian negotiations.[2] In these test cases the duplicity of Bolshevik diplomacy was not astute but inept; and while Čičerin and Zinoviev were popularly conceived in the West as laying their heads together in order to outmanœuvre the rest of the world, a Russian caricaturist hit the mark in a 'friendly cartoon' which depicted Zinoviev making a speech with an embarrassed Čičerin standing behind and tearing his hair at the prospect of diplomatic complications.[3] To maintain that Čičerin and Zinoviev saw eye to eye on the question of recognition of the U.S.S.R. would be as great a paradox as to assert that President Coolidge and Secretary Hughes were working hand in glove with Senator Reed and Congressman Johnson in the matter of Japanese immigration into the United States.[4]

In the above-mentioned instances the interests of the U.S.S.R. had been sacrificed to the policy of the Third International, but at the same time there were fields in which the Communist Faith was pressed into the political service of the Union. One such field was opened by the redistribution of the territories of the U.S.S.R. into a hierarchy of administrative units which may or may not have actually enjoyed the autonomy constitutionally attributed to them, but which undoubtedly corresponded very closely in area with the local units of nationality—far more closely, for example, than

[1] See Section (ii) (*f*) below.
[2] See Section (iv) below.
[3] For a description of this cartoon, which appeared in the *Pravda* of the 19th June, 1924, see *The Times*, 26th June, 1924.
[4] See I. B. (vi) above.

international frontiers and ethnographical boundaries coincided with one another in the new political map of Europe which had been established, at about the same date, by the four European peace treaties following the War of 1914.

This policy of devolution on national lines, which was steadily pursued by the Soviet Government, deserves attention because it was not a feature of the original Marxian creed. The European disciples of Marx had been inclined to favour the consolidation of territory into large administrative units and the centralization of political authority, in the belief that the state, which they hoped to make the vehicle for their programme of socialization, would be more efficient, the larger it was, for coping with the world-wide organization of private capital. Thus, in making national devolution a cardinal point in their policy, the Bolsheviks were striking out a line of their own. An adequate motive for this could, no doubt, be found in terms of the Communist Movement. A convinced Communist might argue that nationality was a matter of indifference from the Communist point of view, and that it was therefore wiser to give it vent, so far as that could be done without injury to the Communist cause, than to thwart it at the risk of driving into nationalist opposition local elements which might have rallied to Communism if their national individuality had not been challenged. In other words, national autonomy might be permitted so long as Communism was established in each national unit as securely as in the U.S.S.R. as a whole. Actually, however, the liberal policy of the Soviet Government in regard to national autonomy was directed not so much to promote the spread of Communism as to attract into the Union populations and territories which had belonged to its predecessor the Russian Empire ; and while the method commonly employed was a Communist *coup d'état* in the country on which the Soviet Government had designs—a *coup d'état* which was engineered from Moscow and which was immediately confirmed, if successful, by the intervention of the Red Army at the invitation of the new provisional Government in the revolutionized country—the propagation of the Communist Faith appears in these cases to have been deliberately subordinated to the attachment of a new member to the Union.

For example, in Azerbaijan and Erivan, which were successively transformed, by the method outlined above, from independent states into members of the Union,[1] and in Outer Mongolia,

[1] See *Survey, 1920–3*, pp. 361–76.

the ascendancy over which was transferred, by the same method, to Moscow from Peking,[1] Communism does not appear to have been enforced *à outrance* after it had served its turn in enlarging the bounds of the new Russian state; and the Bolshevik rulers of Russia, far wiser in this respect than the Czars, were content to allow the border peoples to conduct their local administration in their own languages through officials of their own nationality, so long as they did not seek to secede from the U.S.S.R. The most ambitious attempt of the Soviet Government on these lines was the offer which they made to Poland in July and August 1920, when the Red Army was marching upon Warsaw. When the Supreme Council suggested a peace conference, to be preceded by a withdrawal of the Polish forces behind the 'Curzon Line'—a provisional eastern frontier for Poland which had previously been put forward by the Principal Allied Powers, and which closely corresponded to the ethnographical boundary—the Soviet Government replied that they were prepared to offer Poland a more favourable frontier. At the same time, when Poland sued for an armistice, the Soviet Government insisted that the Polish army should be reduced to 50,000 and that there should be an armed gendarmerie of 200,000, for which only trade-unionists should be eligible.[2] Evidently the Bolsheviks hoped to achieve in Poland, on a larger scale, what they had achieved in Azerbaijan a few months before. Polish nationalist opposition was to have the wind taken out of its sails by the assignment to Poland of territories which she coveted, but to which she could establish no valid ethnographic claim; the Polish workers might then be expected to rally to a new régime which promoted their class-interests while more than fulfilling their national aspirations; and at the same time such new régime in Poland could only hold its own against the Polish *Bourgeoisie* by looking for support to the sister Communist Government of the U.S.S.R., by whose military victory it would have been placed in the saddle. Thus Poland would have been brought back into the political orbit of Russia, from which she had broken away at the dissolution of the old Russian Empire. Such was the Soviet Government's policy, and if the fortune of war had not suddenly turned decisively in Poland's favour, there is every likelihood that this policy would have met with success.

From the observation of these and other similar facts, some Western publicists were inclined to infer that the attraction of

[1] See *op. cit.*, pp. 428–32.
[2] For these negotiations see *H. P. C.*, vol. vi, pp. 319–22.

neighbouring countries into the U.S.S.R. was the sole purpose for which the policy of internal devolution was pursued. This was an exaggeration, as will be apparent from an examination of the map, since the policy was carried out just as faithfully in the remote interior—for example, in the Volga Basin and in North-Eastern Siberia—as it was in the neighbourhood of the frontiers.[1] At the same time there is no doubt that the border units of the U.S.S.R. did fulfil important functions in the policy of the Soviet Government towards the independent border states on the other side of the frontier. On the 31st December, 1924, there was a Finnish Autonomous Republic of Karelia adjoining Finland ; a White Russian and an Ukrainian Soviet Republic adjoining the White Russian and Ukrainian territories under Polish rule ; a Moldavian [2] Autonomous Republic adjoining Bessarabia ; a Muslim Georgian Autonomous Republic of Ajaria and an Armenian Soviet Republic of Erivan adjoining Turkey ; an Azerbaijan Soviet Republic (with a Nakhchevan Autonomous Republic attached to it as an enclave) adjoining the Azerbaijani-Turkish population in North-Western Persia ; a Turkmen and an Uzbeg Soviet Republic and a Tajik Autonomous Republic adjoining the Turkish and Tajik population in North-Western Afghanistan ; a Kara-Kirghiz Autonomous Republic and an Oiratsk Autonomous Province adjoining Chinese Turkestan ; and a Mongol-Buriat Autonomous Republic adjoining Outer Mongolia. The function which these units fulfilled naturally differed in the different cases. For example, it was now highly improbable that the Finnish Communists would gain the upper hand and that Finland would be attracted into the U.S.S.R., so that the Karelian

[1] In the Volga Basin alone, the Russian Socialist Federal Soviet Republic—that is, the distinctively Russian member of the U.S.S.R.—devolved authority to the following autonomous republics and provinces covering territories in which a majority of the population belonged to some non-Russian nationality : The Bashkir Republic (created on the 23rd May, 1919) ; the Tatar Republic (27th May, 1920) ; the German Volga Labour Commune (19th October, 1918) ; the Chuvash Province (24th June, 1920) ; the Votyak Province (4th November, 1920) ; the Mariisk Province (4th November, 1920) ; the Kalmuck Province (4th November, 1920). To these may be added the Ziryansk or Komi Province in the Northern Urals (5th May, 1921) and the Yakutsk Republic in North-Eastern Siberia (27th April, 1922). Of these units, three contained a majority of Muslim Turks, one of Orthodox Christian Turks, three of Orthodox Christian Finns, one of Buddhist Mongols, and one of Protestant Germans. Yet all these populations were so remote, geographically, from those peoples outside the frontiers of the U.S.S.R. who had the same nationality and language, that it is impossible to conceive that in these cases the grant of administrative autonomy by Moscow was influenced by any considerations of foreign policy.

[2] i. e. Rumanian in nationality. This Autonomous Republic was brought into existence on the 11th October, 1924.

Republic now served the defensive purpose of providing for the Finnish population inside the frontier of the Union some national satisfaction which might diminish their desire to secede—a desire which they had manifested in the unsuccessful rebellion of November 1921. On the other hand, the White Russian, Ukrainian, and Moldavian Republics were calculated to keep alive the hopes of autonomy among the discontented border populations in Poland and Rumania, who—if and when an opportunity occurred for seceding from their present rulers—might feel that national autonomy in a Soviet Socialist Union was preferable to the status of a minority in an East European *Bourgeois* state. The Republic of Ajaria, again, which contained the important harbour of Batum, might content its Muslim Georgian inhabitants sufficiently to prevent them from seeking either to secede to the neighbouring independent Muslim Republic of Turkey or to join forces with the Christian Georgians, who were not content with autonomy but were determined to recover their sovereign independence, of which the Government of the U.S.S.R. had deprived them by force of arms.

This chain of satellite republics, all officially converted to the Communist Faith and all depending for their existence on the support of the Russian Communist Republic which had created them, remind the historian of those Ligurian, Cis-Alpine, Parthenopaean, Helvetian, Rhenish, and Batavian Republics with which Republican France encircled herself in the early years of her struggle against the *Ancien Régime* in Europe. In 1792 or 1795 the names ' Republican ' and ' Jacobin ' had much the same connotation in the Western world as the names ' Communist ' and ' Bolshevik ' in 1918 or 1924. They represented the adherents of an anti-social order, who, by terrorism which had not stopped short of regicide, had gained control of the resources of a great country, and who publicly proclaimed their intention of making their doctrines prevail everywhere by force of arms or by propaganda or by the two methods in combination. During the closing years of the eighteenth century any country adjoining the French frontiers, or lying within range of the French armies, might see its established government overthrown by a local Jacobin Revolution, and might then find columns of French troops marching upon its capital in order to entrench themselves in the new position that had been won for Republicanism and for France. Sometimes these republican movements were unsuccessful and were suppressed with great severity—the short-lived Parthenopaean Republic of 1799 had the same fate as the

Communist Movement in Esthonia in 1924 [1]—but each time that they achieved their end the Jacobin order of society and the hegemony of France simultaneously advanced their frontiers.

This precedent throws some light on the tendencies latent in the similar advance of Communism hand in hand with the Union of Soviet Republics. In both cases it was the new international revolutionary movement that at first attracted most attention and excited most alarm, while the country upon which it had fastened as its base of operations was regarded as having been ruined and rendered impotent by this calamity. In the case of the French Revolution, however, that phase soon passed, and within less than ten years from 1789 the fear of Jacobin revolution was fading away, while the fear of a French ascendancy was taking its place as the most serious preoccupation of Europe. Under the Napoleonic régime, France abandoned the international propaganda of Liberty, Equality, and Fraternity, resumed 'normal diplomatic relations' with other countries, and even negotiated a concordat with the Vatican; but the policy of enlarging her borders by the multiplication of satellite states was continued with redoubled energy, and the Kingdoms of Italy and Westphalia, the Confederation of the Rhine, the Grand Duchy of Warsaw, and the other Napoleonic creations which superseded or supplemented the republics of the first revolutionary years, extended the military and political hegemony of France through the length and breadth of Europe. Probably no such development of military and political power was to be expected in Russia as a sequel to the Bolshevik Revolution of 1917. In this respect the governing factors in the situation were not the same, for, while the France of 1789 had been the most civilized as well as the most populous country in Europe, the Russia of 1917 was a backward and war-stricken country on the periphery of the Western world. At the same time the parallel, as far as it went, would suggest that the exploitation of the U.S.S.R. by the Third International might not continue for long, and that the Communist propaganda, when seen in historical retrospect, might seem significant, not as an international revolutionary movement, but rather as the strategy by which the U.S.S.R. obtained for itself that position in the world which had been lost by its predecessor the Russian Empire.

The report [2] laid by M. Čičerin before the Central Executive

[1] See Section (ii) (*c*) below.

[2] Abridged French translation of the text in *L'Europe Nouvelle*, 8th November, 1924.

Committee of Soviets on the 18th October, 1924, might have been presented to any parliament by any foreign minister. 'The Anglo-American *bloc*, whose heavy hand makes itself felt throughout the world,' might have been the unspoken thought of an Italian or a Frenchman. The concern at the capitulation of Germany to France after the struggle in the Ruhr [1] implied the traditional conception of the Balance of Power. The insistence on the 'inviolability' of the Russian Commercial Mission in Berlin, *à propos* of the incident of May 1924,[2] and the rebuke administered to the Finnish Government for not disavowing the incorrect conduct of its delegate at the Fifth Assembly of the League of Nations in raising the question of Georgia—an attitude which had 'excited profound indignation among the Georgian people'—revealed a diplomatist who had received his training in the old school. The League of Nations was condemned, not as a *Bourgeois* or 'Capitalist' institution, but as 'an ill-disguised coalition of the victorious Powers'; and the entry of Germany into the League was deprecated, because, 'after that, Germany might be drawn, by force of circumstances, into combinations in consequence of which she would find herself in the opposite camp to the U.S.S.R.' Fascist Italy received congratulations in general for the relative independence of her policy *vis-à-vis* the Great Imperialist Powers, and in particular because she had 'refrained from ratifying the protocol relative to the annexation of Bessarabia to Rumania', and had 'published an official *démenti* of the rumour recently circulated that she was disposed to take this step'. For commercial reasons, the settlement of the Memel question without the participation of the U.S.S.R. was not allowed to pass without a protest. 'The thing which appears to us indispensable', declared M. Čičerin, for all the world like the conscientious foreign minister of a Capitalist country, 'is the freedom to float our timber down the River Niemen, and we are at present engaged in a correspondence in order to secure the practical realization of our claim.'

Most striking of all was the history of the Communist propaganda among the peoples of the Islamic world, India and the Far East. M. Zinoviev seems to have envisaged this, in rather a grandiose way, as the prelude to a future coalition of all the submerged forces—economic, cultural, and racial—against the domination of Western Capitalism. In effect this Oriental propaganda merely provided Russia with a new weapon for carrying on her traditional struggle for power with Great Britain in the Middle East and with Japan in

[1] See II. A. (ii) below.

[2] See Section (ii) (*f*) below.

Manchuria and Korea. This new departure in Russian diplomacy was Machiavellian in the true sense of the word, for it was an adroit attempt to ' steal the thunder ' of the rival Powers. The discomfiture of Russian Imperialism, during the period preceding the War of 1914, by both Great Britain and Japan in their respective fields of activity had largely been due to the success with which these two Powers had enlisted the moral support of the local peoples whose destinies were at stake in the struggle, by placing Russia in the light of an aggressor. The policy of the U.S.S.R. was to reverse the traditional roles, and this was what M. Čičerin meant when he remarked that ' the more [Western Imperialism] makes the Oriental peoples aware of its rapacious character, the more there will develop among these peoples the tendency to conclude a close and indestructible alliance with the U.S.S.R.' Thus, the boldest designs of the Third International were harnessed to the service of a new Russian Great Power ; and, when the time came, the Soviet Government reinforced or superseded the revolutionary propaganda among the masses by diplomatic agreements with the Governments of Oriental States. In his report of the 18th October, 1924, M. Čičerin signalized the Russo-Chinese Agreement of the previous 31st May as ' an historic event of the highest importance ', and at the same time he foreshadowed the imminent agreement with Japan. The fact that Japan was ruled by an oligarchic Government which had never concealed its imperialistic philosophy of state or its fear and dislike of the Communist Faith did not stand in the Russian negotiator's way. ' The only question which divides us ', declared M. Čičerin on this occasion, ' is the difference regarding the quantity of petroleum and coal which Japan is to receive after her evacuation of the northern part of Sakhalin. We consider that it is impossible to give Japan all the natural wealth of this region. . . . But we hope that the Japanese Government will understand the enormous importance and even necessity of an agreement with the Union and will realize that the Union cannot renounce all the natural wealth of Northern Sakhalin.' [1]

On this showing it seemed probable that, in the near future, the Communist propaganda would disappear from the stage of international affairs through being absorbed into the diplomacy of the U.S.S.R. At the time of writing, however, it was impossible to make any forecast, for if the precedent of France and Jacobinism pointed

[1] For these Russo-Chinese and Russo-Japanese negotiations see the *Survey for 1925.*

one way, there were also historical examples of great states which had been permanently dominated by ' missionary religions ' until eventually they had been worn out in their service. For instance, Spain, who seemed to have within her reach the hegemony over Europe and the New World at the accession of Philip II, was bowed to earth before a century had passed by the incubus of the Catholic Church ; and Turkey, who seemed marked out, at the accession of Suleiman the Magnificent, to inherit everything that did not fall to Spain, succumbed during the same period to the weight of the Ottoman Caliphate. The official championship of a religion ruined both these Powers because it compelled them to keep up a truceless warfare with other countries for objects which had nothing to do with their own political interests. By a curious coincidence the Turkish people, realizing at length what the defence of the Faith had cost them in the past, repudiated the Caliphate in this very year 1924,[1] when the Turkish Republic and the U.S.S.R. were on intimate terms ; but this step, though salutary in itself, was taken many centuries too late, and while it might assist the Turks to save their national existence, it could not rehabilitate their lost empire or restore their country to the ranks of the Great Powers. If the Third International were to retain its hold upon the Soviet Government, the fate of Turkey and Spain was likely to be shared by Russia ; and there is no doubt that, in the year 1924, whenever MM. Čičerin and Zinoviev crossed each other's path, M. Zinoviev held his ground while M. Čičerin was forced to beat a retreat. The economic intercourse between Russia and Germany was interrupted for several months, with grave economic and political prejudice to Russia, because the Russian Commercial Mission in Berlin gave asylum from the German police to a German national who had been acting, while in the service of the Mission, as a Communist propagandist.[2] The Anglo-Russian negotiations were given their *coup de grâce* by the ' Zinoviev letter '.[3] No country could court with impunity such disastrous frustrations of its foreign policy—least of all a country whose international position was as weak as that of the U.S.S.R. in 1924.

[1] This question will be dealt with in the *Survey for 1925*.
[2] See Section (ii) (*f*) below.
[3] See Section (iv) below.

(ii) The Propaganda of the Third International.

(*a*) Communism and the Contemporary World

The Bolshevik Revolution of 1917 in Russia laid Western society open to the assaults of a militant anti-Western religion backed by the resources of a country which had been, and might again be, a Great Power. Seven years later the future of the Third International and of the U.S.S.R. was still obscure ; their association might prove to be transitory ; yet, in any event it would be remembered as a fact of historical importance, since it had reproduced—whether temporarily or permanently—a situation which had not existed since the Ottoman Empire, at war with the West on behalf of Islam, had been forced, two and a half centuries earlier, to abandon its offensive and to enter upon that long retreat which did not come to a halt until all Islam had fallen under the ascendancy of Western society.

During those two centuries and a half the West had tasted an experience which it had rarely enjoyed before. Instead of being perpetually threatened by stronger forces it had been steadily driving back old adversaries and overcoming a resistance which was constantly growing weaker. The Western economic system had embraced the whole world ; Western Powers had occupied empty lands overseas and established their rule over distant peoples ; and Western culture had begun to permeate the mind of even the most conservative societies of non-Western civilization. The propaganda of the Third International in Moscow was the first external challenge to a Western supremacy which, though of recent date, had become so nearly complete that it had almost ceased to be questioned ; and, in view of the past, it was interesting that the challenge should be delivered, not by any of the traditional rivals of Western Christendom, but by an apparently new force, breaking out in an unexpected quarter and attacking, in the name of principles derived from a Western fountain-head, almost everything for which Western civilization stood at this time. In such fashion Islam itself had originally burst out of Arabia and flooded the Ancient Christian world under the impetus of ideas and emotions emanating from Christian sources. It was as if the exhalations of a great body of water, precipitated over a long period upon a remote and impervious soil had slowly accumulated in some vast, unseen reservoir, until

suddenly the dam had given way and the waters had returned in a torrent to trouble the calm of the parent sea.

By the close of the year 1924 the waters of Communism had not prevailed beyond the borders of the U.S.S.R.; and, whether they were destined to flow further or to ebb as rapidly as they had risen, it was an historical fact that while every 'missionary religion' in turn had been impelled, by the law of its being, to spread over the whole face of the earth, not one of them had ever yet completely fulfilled its mission. Even the tide of Islam, which had gathered a second impetus in the fourteenth Christian century, had come to a standstill at last and then receded; and thus the precedents were all against the achievement of that 'World Revolution' which was the vision of Lenin and his companions. At the same time these precedents were not conclusive, since there was one new factor in the situation which had never been present before. Religious movements generally follow existing economic and political channels and travel along them as far as they extend, and the channels prepared by Western civilization for Communism extended into every part of the world. Thus, at the close of 1924, it remained at least theoretically possible that the Third International might eventually accomplish the whole of the gigantic task which it had undertaken. Meanwhile, it may be of interest to survey the methods which it had employed and the successes and failures which attended its efforts, since its foundation at a congress held in Moscow on the 2nd–6th March, 1919.

To the organizers of the Third International, looking out from Moscow upon their mission field, the landscape probably unfolded itself in a series of concentric zones.

The innermost zone consisted of the new European border states which, until a few years before, had been provinces of the Russian Empire, and here the soil might be expected to be most propitious. The U.S.S.R. would exercise upon these small adjoining bodies the physical attraction of the greater mass; their past association with Russia, involving a certain familiarity with the Russian language and with the Russian way of life, would make any tendency in this direction seem like the return to an habitual association; and this would largely counteract that instinctive shrinking from the unknown which was perhaps the greatest psychological obstacle to the progress of the Communist propaganda even among that class to whom it promised the millennium. These favourable features, common to the border-zone as a whole, would be supplemented by special circumstances in different sectors—on the Polish

sector, for instance, by the restiveness of the White Russians, Ukrainians, and Jews under Polish rule; and on the Bessarabian sector by the dissatisfaction with which the whole population of the province, not excluding the Rumanian-speaking peasantry, regarded certain aspects of the existing Rumanian régime.

The second zone, beyond the border states, extended, towards the West, over the remainder of Europe. In this zone there were no previous links with Russia to facilitate the spread of propaganda from a Russian base of operations, yet certain openings for Communism were offered by the continuing effects of the recent War—the almost equally violent shocks of victory and defeat, the disillusionment of the ex-service men, the sufferings inflicted by unemployment or inflation—the Scylla and Charybdis of post-war Europe—the grievances of minorities subjected to alien governments, and all those legacies of the peace treaties which went to make up the two still unsolved problems of Reparation and Security. Here, again, there were important local differences. In South-Eastern Europe, where the economic dislocation was less serious than elsewhere owing to the local predominance of agriculture over industry, the political feuds left behind by the War of 1914—not only between different nationalities but between different factions in the same community—were especially bitter, and in the course of the year 1924 such feuds played into the hands of the Third International in Bulgaria, Macedonia, and Croatia. In Hungary, on the other hand, where the national disillusionment over the disastrous outcome of the War of 1914 had enabled a Communist organization to seize the government for a few weeks in 1919, there had been a violent reaction which had brought a 'White' Government into power; and there had been a similar sequence of events in Bavaria, as well as in Italy (a country which was almost as much disillusioned by victory as her late opponents were by defeat). In these three countries the abortive Communist movements of these early days after the War had effectively inoculated the people against the propaganda of the Third International for some time to come, and the spirit of revolt against post-war conditions had found a more congenial expression in the 'Fascist' régimes which were still in power at the end of the year 1924. The most that the missionaries of Communism could hope for here was that, sooner or later, after this immoderate movement to the right, the pendulum would swing to the left again with corresponding violence; and in most other European countries they could not even look forward to so much as this. In Austria

the worst economic privations seemed powerless to induce a revolutionary frame of mind; in Czechoslovakia the attempted Communist rising of December 1920 had been a conspicuous failure; and in the homelands of Western civilization, where the roots of the established order were bedded more deeply and firmly than elsewhere, neither the ex-neutrals nor Great Britain, France, and Belgium had lost their equilibrium, in spite of the ordeals through which they had recently passed. In Western Europe the one point at which the strategists of the Third International might hope to effect a breach was Germany; and much turned upon their success or failure here, for, if they could capture a country which occupied the central position on the Continent, which was still the most populous state in Europe in spite of its recent losses of territory, and which was also the equal of Great Britain and France in economic and intellectual eminence, they would then for the first time have some prospect of capturing Europe as a whole. In this zone, therefore, Germany was the key position, and for five years the victorious Allied Powers co-operated—quite unintentionally but none the less efficaciously—with the Third International by driving the German people to the wall. At three moments in the course of these years it was an open question in Germany whether Communism would not get the upper hand. The first of these crises coincided with the Armistice, and was only overcome by the Social-Democratic leader, Noske, in January 1919;[1] the second arose out of the reaction against the Monarchist *Putsch* of March 1920, which brought a Communist régime into power in the Ruhr Basin—a movement which was not put down by the Government of the *Reich* without regular military operations;[2] the third was an expression of the suffering inflicted by the struggle in the Ruhr, and came to a head in the closing months of 1923, simultaneously with the capitulation of Germany to France. On this last occasion it was the deliberate policy of M. Poincaré which gave the Communists their opportunity in Germany, while on the second occasion the French Government gravely embarrassed the action of the German Government in the Ruhr by taking sanctions, single-handed, on account of a formal violation of the Versailles Treaty—notwithstanding the fact that, in view of the Communist rising in the Ruhr, that is, in one of the principal industrial districts of Europe, the temporary presence of German Government troops in the Neutral Zone was an urgent necessity in the general interest.

[1] See *H. P. C.*, Vol. ii, Ch. VII.

[2] See *Survey, 1920–3*, pp. 90–2.

A third zone was formed by the overseas countries occupied by peoples of European origin, and here the points in favour of Communism and against it were different again. Against its chances of success was the fact that these countries had suffered comparatively little from the recent War, and the further fact that their population was not so dense, or so dependent on a delicate industrial system for the maintenance of its standard of living, that the world-wide economic derangement produced by the War was likely to create distress sufficiently acute to precipitate revolution. Unlike the kindred peoples of Europe, the overseas peoples all possessed a certain economic margin ; yet while this margin would act as a buffer against the impact of Communist ideas, Western society overseas did not possess those deep roots which in Germany seemed capable of withstanding the fiercest storms. Each of these overseas peoples was a ' mixed multitude ',[1] which needed time and tranquillity in order to acquire social cohesion, and meanwhile there were rifts into which an adroit missionary of Communism might drive his wedge. In many of these countries, at this time, there was a tendency for the remaining margin of economic opportunity to become the monopoly of a dominant class or caste, divided by a moral gulf from lower social strata of different national or racial origin. In the United States, for example, there was a dominant element of North-West European origin (inclined to take pride in belonging to an hypothetical ' Nordic Race ') with a second stratum of South-West and East Europeans as yet imperfectly assimilated to their North-West European fellow-citizens, and two other strata of Negroes and Orientals who were divided from the Whites by a feeling of racial antipathy so strong, on the part of the Whites, that it looked like an insurmountable barrier to assimilation, however long the races might continue to live together. Here were social conditions, comparable to the caste-system of India or to the national and religious divisions of the Near and Middle East, which Communism might turn to advantage. The seed sown by Western society overseas might prove to be seed on stony ground or seed among thorns. Already, in the revolutionary outbreak on the Rand in March 1922, there had been traces, in this overseas zone, of the Third International's handiwork.

[1] Like the *σύμμικτος ὄχλος* in the states which Ancient Greek society planted overseas in Sicily. The history of Hellenism in Sicily—so full of mental and material promise in the early days of colonization, and so disappointing in its outcome—illustrates the difficulty of successfully transplanting a civilization from its homelands to new soil.

Another zone, which was hardly less accessible to Moscow than the innermost of the three zones above mentioned, consisted of the civilized Oriental peoples of the Islamic World, India, the East Indies and the Far East, among whom a movement of unrest against alien government, which had become noticeable during the years preceding the War of 1914, had been quickened and accentuated by the sudden spectacle of falling Empires and unexpectedly liberated subject nationalities. The Third International solicited the support of these Oriental peoples as victims of the same forces as were oppressing the Western ' labouring masses ', but there were considerable tactical difficulties in the way of building up this common front. Western ' Imperialism ', not Western ' Capitalism ', was the yoke which the Orientals were seeking to shake off, and most of the Nationalist leaders in these countries were drawn from the ranks of the new professional and industrial *Bourgeoisie* which had been coming into existence as the Western economic system took root in Oriental soil.[1] Thus, they were far from being enemies of the Capitalist System, which, in India, China, and Japan, was at this time creating social conditions at least as appalling as those which had accompanied the Industrial Revolution in Great Britain a century earlier.[2] In these countries the Third International would eventually have to choose between supporting the native workers in their economic struggle against the native employers or assisting the latter in their political campaign against foreign rule. For the moment the Third International had chosen the latter alternative, and had declared war against ' Imperialism ' on behalf of national liberty in the East, but this policy had one grave drawback. If Western Powers like Great Britain, France, and Holland stood for ' Imperialism ' in India, the Islamic World and the East Indies, in China and Korea the arch-enemy was Japan, and therefore the Third International could hardly commit itself to the cause of Nationalism in the East without driving the only Oriental Great Power into the opposite camp. The acute hostility of the relations between the Bolsheviks and Japan from the Revolution of 1917 down to the close of the year 1923 has been described in the preceding

[1] The only Oriental leader at this time who attacked Westernism at the root by attacking it on economic ground was Mr. Gandhi ; and although his movement resembled the mission of the Third International in being essentially religious, his cardinal doctrine of ' Non-violence ' was at the opposite pole from the ' World Revolution ' and the ' Dictatorship of the Proletariat '.

[2] For the conditions in China see the British Blue Book, *Papers respecting Labour Conditions in China* (*Cmd.* 2442 of 1925).

volume,[1] and M. Zinoviev's Oriental policy might have broken down over Japan if the Congress of the United States had not played into his hands by inserting an Oriental Exclusion Clause in the Ia-mmigr tion Act of 1924.[2] The racial issue which was thus brought to a head, and which touched Japanese pride to the quick, transcended the issues between Japan and China or between Oriental Capital and Labour, and created a common cause in which Orientals of all classes and nationalities might be enlisted. Nothing could have served M. Zinoviev's turn better than this, and the firstfruits of the Oriental Exclusion Act on the other side of the Pacific was the Russo-Japanese Treaty of the 20th January, 1925.[3]

The sixth and last zone in the Communist map of the world was Tropical Africa. Here, too, there was abundant inflammable material, and the dangers of a conflagration had been increased by the political and economic consequences of the War ; but Tropical Africa was geographically remote from Moscow, and, even if the situation were to be handled so badly by the dominant Europeans that the native peoples were alienated from Western civilization, these peoples were less likely to turn to Communism than to Islam, or else to some form of Christianity inspired by the vision of a God who put down the mighty from their seat and who came as a saviour to the despised and rejected.

(*b*) The Methods of Communist Propaganda

When Lenin and his companions set out, from their new citadel in Moscow, to convert the proletariat of the world to Communism, they had first to reckon with the existing organizations—likewise professing the Marxian doctrine but affiliated to the Second International and committed to non-revolutionary methods of action—which commanded a wide allegiance among the Western workers. Their problem was not unlike that which confronted the Indian Extremists *vis-à-vis* the Indian Moderates who were prepared to co-operate with the British Government in working the Montagu-Chelmsford Scheme of constitutional reform ; and, like the Indian Extremists, they had a choice between two policies. They could either boycott the constitutional organizations in the hope that these would then break down and, with them, the last bulwark against revolution ; or else they could undermine these organizations

[1] *Survey, 1920–3*, pp. 432–45.
[2] See the present volume, I. B. (vi) above.
[3] See the *Survey for 1925*.

by a process of ' peaceful penetration ', with the intention of capturing them, sooner or later, for Communist ends. In the Russian Revolution, the tactics of ' non-co-operation ' (unhampered by ' non-violence ') had been pursued with triumphant success. From the outset Lenin had refused all compromise either with the Liberal *Bourgeois* parties or with the Menshevik Socialists, and by 1920 the last vestiges in Russia of any non-Communist organization had been swept away. What happened in Russia, however, was little guide to what might be expected to happen elsewhere. The docility, ' suggestibility,' and illiteracy of the population and the suffering inflicted on them by the War had no parallel among the European belligerents ; and the thrice-repeated failure of the attempt at mass-revolution in Germany, the European country which had suffered the most, was a lesson which could not be disregarded. Thus, by the beginning of the year 1924, the organizers of the Third International appear to have abandoned the hope of revolution by massed frontal attack—except perhaps, in some of the border states recently detached from Russia—and to have concentrated their efforts on ' peaceful penetration ' through the introduction of Communist ' nuclei ' or ' cells ' into alien organisms.

In a speech to the Congress of the Third International which was held in Moscow on the 17th June–8th July, 1924, M. Zinoviev analysed ' the tactics of a single front ' as follows :

> There are three methods of putting into practice the tactics of a single front. The first, from below, consists in intermingling with the rank and file of the Labour movement, in permeating the trade unions and shop committees with Communist influences, and in supporting every Labour movement directed against Capitalism. Such tactics should be applied in all cases. In the second place the policy may be applied from above—i. e. by agreement with Labour leaders. The third method, that of agreement only with the ' top strata ' without reference to the masses, should be completely banned, as leading to shameful compromise. . . . We must adopt catchwords easily understood by the masses. That of ' a Labour Government ' is the most alluring and popular formula for enlisting the masses in favour of a dictatorship of the proletariat. We must make the most of opportunities offered by such ' Labour ' Governments as, for instance, MacDonald's. . . . The worker, peasant and railwayman will first do their revolutionary ' bit ', and only afterwards realize that this actually is ' the dictatorship of the proletariat '.[1]

The Communists, apparently, were to be in the law-abiding organizations but not of them, for in the same speech M. Zinoviev

[1] Quoted from *The Times*, 7th July, 1924.

rebuked the ' leanings to the left ' of certain British comrades ' who were opposed to entering the Labour Party and who only gave way under considerable pressure ', while he censured others for not standing openly as Communists in the Parliamentary General Election of December 1923 and for hesitating to speak against the Parliamentary Labour Party in the House of Commons. The tactics thus analysed by Zinoviev appear to have been prescribed officially by the Third International in the ninth of their twenty-one conditions of affiliation.[1]

> Every party which wishes to belong to the C.I. must develop a systematic and persistent Communist activity within the trade unions, works committees, co-operative societies, and other mass organizations of workmen. Within these organizations it is necessary to organize cells, which by continuous and persistent work must win the unions, &c., to the cause of Communism. The cells are bound to expose everywhere in their daily work the treason of the social-patriots and the vacillation of the Centre. The Communist cells must be completely subordinated to the party as a whole.

Apparently the last of these conditions was by no means a dead letter. For example, in the evidence laid by the State Department at Washington before a sub-committee of the Foreign Relations Committee of the Senate, which sat on the 21st–23rd January, 1924, to consider the question of recognizing the Government of the U.S.S.R.,[2] it was stated that when a split had arisen among the members of the American Communist Party over a difference of opinion regarding the organization of ' The Workers' Party of America '—a screen to cover their operations, which the Third Congress of the Third International had instructed them to set up—the Central Committee in Moscow had intervened ; and that, when a minority of the American Party had refused to submit, the Central Committee, in a further decree of the 11th March, 1922, had sent them an ultimatum, with the choice of complying within two months or being expelled from both the International and the American Group. An emissary was then dispatched to America from Moscow to settle the controversy, and the incident ended in the capitulation of the minority.

[1] An English translation of these conditions, as reported to have been published in the official journal of the Third International (*The Communist International*, No. 13, pp. 92–6, Moscow) is to be found in *The Times* of the 6th November, 1924.

[2] See the United States official publication : *Recognition of Russia. Hearings before subcommittee pursuant to S. Res. 50, declaring that Senate favors recognition of present Soviet Government in Russia ; letter from Secretary of State transmitting information relative to propaganda carried on in United States, direct from Russia.* (Washington, 1924, Government Printing Office.)

Even when there was no overt revolt, one of the conditions of affiliation apparently prescribed that the local organizations should undergo periodical purges.

> The Communist parties of those countries in which they carry on their work legally must from time to time undertake cleansings (new registrations) of the composition of their party organizations in order to purge the party systematically of petty *Bourgeois* (lower middle class) elements that have crept in.

Another way in which Moscow asserted its authority over the Communist Groups *in partibus infidelium* was by writing them pastoral letters of encouragement and exhortation on critical occasions. One such letter purporting to come from M. Kolarov, the General Secretary of the Executive Committee of the Third International in Moscow, was received by 'The Workers' Party of America' on the 31st December, 1923, during their third annual convention at Chicago.[1] Another, signed by M. Kuusinen, the Secretary of the Third International, was received by the Norwegian Communists during the labour troubles in Norway in the spring of 1924, and when the text was published in a *Bourgeois* newspaper in the following October its authenticity was admitted by the Communist organ, the *Norges Communistblad*.[2] Again, in anticipation of the general elections to the *Reichstag*, there was published—on the 26th October in the Moscow *Pravda*, and on the 28th in the *Rote Fahne*, the official organ of the German Communist Party—a similar letter bearing the signature of M. Zinoviev.[3] Another 'Zinoviev letter' was reported to have been intercepted by the United States Government a few days later, on the eve of the presidential elections.[4] In view of these parallels, of which the German case, at least, appears to be sufficiently attested, there can be no presumption *a priori* against the authenticity of the more celebrated letter—bearing the date of the 15th September, 1924, and the signatures of MM. Zinoviev, Kuusinen, and McManus—of which an English text was made public by the London Foreign Office on the 25th October.[5]

[1] *The Times*, 2nd January, 1924. [2] *Ibid.*, 30th October, 1924.
[3] *Ibid.*, 4th November, 1924; and the *Deutsche Allgemeine Zeitung*, 2nd November, 1924. It is to be noted that, in the case of this document, there were discrepancies between the Russian and the German text.
[4] See *Le Temps*, 10th November, 1924.
[5] For the effect of its publication on the Anglo-Russian negotiations see Section (iv) below. The texts of the document itself, and of the covering letter from the Foreign Office, in which it was brought to the notice of M. Rakovski, are reprinted in the Appendix to the present volume from *The Times* of the 25th October, 1924.

Thus a vigorous control was exercised over the local branches of the Third International from the centre, but there was no corresponding control over the centre by the branches, for the annual summer congresses in Moscow were under Russian domination. In 1924, for instance, the proceedings began with the Thirteenth Congress of the Russian Communist Party, which lasted from the 13th May to the 3rd June ; this was followed, from the 17th June to the 8th July, by the Fifth Congress of the Third International ; and from the 8th July until the last days of that month this was followed in turn by the Third Congress of the International of Red Trade Unions.[1] The effective part of these proceedings was the first, and the decisions then taken by the Russian Communist Party appear to have been endorsed, much as they stood, by the few foreign delegates who were present at the meetings of the two other bodies, which were thus directed in effect by the same persons, although they were organically distinct from one another and from the Russian Communist Party. The Russian Communist Party, to judge by the vivid description of it in *The Official Report of the British Trade Union Delegation to Russia in November and December 1924*,[2] was a model Communist ' cell ', laid up in Russia as an ensample for the Communists of other countries.

> The Russian Communist conception of Communism as a ' nucleus ' or ' cell ' (*yatcheika*) not only expresses the present position of the Party within the body politic, but also the policy of the Party within the proletariat. The Party no longer relies on mere accretion. It works by leavening the lump. . . . Admission to membership and retention of it are now a matter of prayer and fasting. Proletarians and peasants must pass a probation of six months as candidates and be vouched for by two members. Others must remain candidates for two years and get six guarantors. Members are tested every year or so by oral examinations, about 10 per cent. being eliminated. Any anti-Communist action entails expulsion, such as a religious marriage, circumcision as a religious ceremony, and so forth. The Communist Party now prides itself on the annual reduction of its membership as much as it previously did on its increase under War Communism.[3]

This Spartan *corps d'élite* was governed by a Central Committee, which in turn performed its missionary functions through a Political Bureau, and this Political Bureau of the Central Committee of the

[1] See *The Times*, 14th July, 1924.
[2] pp. 13–14.
[3] Compare with this passage M. Zinoviev's remarks (as reported in *The Times* of the 11th February, 1924) on the measures necessary to guard against an ' enveloping movement ' against the Russian Communist Party by the non-Communists in Russia.

Russian Communist Party appears to have dominated the Executive Committee of the Third International, which was likewise located in Moscow and the leading Russian members of which were also members of the Political Bureau of the Russian Party, though on the Executive Committee of the International these Russians were assisted by non-Russian colleagues in the proportion of ten to five.[1] The extent to which the Russian Political Bureau directed Communist strategy in other countries is well illustrated by the following passage (relating to the crucial case of the German situation in the autumn of 1923) from a report made by Zinoviev to the Russian Communist Party in February 1924.[2]

> I must admit that the whole Central Committee, and especially the Political Bureau, are largely responsible for our views in general, and on the German question in particular. This question concerned Russia too closely. That is why our comrades in the Communist International were obliged to discuss all questions first in the Political Bureau and then within the Party. While Lenin was in a state to direct our work we, the members of the Communist International, came to him for advice, and the whole Central Committee agreed that his views were to be put into practice without further debate. When this became impossible, Lenin's guidance had to be replaced by that of a collective body. That is why those members of the Central Committee who are members of the Communist International were obliged to discuss the question of the German revolution in all its details within the Political Bureau. Most of the decisions were passed unanimously, and therefore they were collective resolutions, for which we are all responsible. . . . We, the Executive, are accused by some of having fixed the date of the German revolution, but I assert that this decision was left by us to the German Communist Party.

While the Russian Communist Party was thus sustaining and inspiring the Third International, the International itself was extending its range by operating simultaneously through a number of auxiliary organizations, which were enumerated officially as follows :

> First.—The Red International Trade Union, working hand in hand with the Third International.
>
> Second.—The International League of Communist Youth, politically controlled by the Committee of the Third International.
>
> Third.—The auxiliary instrument for the international struggle called Mopr (the society for the relief of destitute revolutionaries abroad).
>
> Fourth.—The Co-operative section, which aims to convert all workmen's co-operatives throughout the world into an instrument for revolution.

[1] See *The Times*, 6th November, 1924.
[2] *Ibid.*, 6th February, 1924.

Fifth.—The Sport International, which is to combine all forms of proletarian sport organizations for revolutionary strife.

Sixth.—The Women's section, working specially for the emancipation of Oriental women.

Seventh.—The Peasants' International.[1]

In the following autumn it was announced that preparations were being made for a Congress of the Red Sport International in Moscow, in order to discuss the utilization of physical culture as a training for 'class warfare'. It was added that 'a severe struggle' was 'proceeding in Western European countries between the Red Sport International and the Evolutionary Socialist Sport International for the control of Labour gymnasiums and sport organizations'.[2] Few Englishmen at this time would have allowed their sport to be subordinated to politics of any colour; but the part played by the gymnastic associations called *Sokols* in the national movements of the East European Slavs during the years preceding the War showed that, in large parts of Continental Europe, sport might be exploited effectively for political ends, and thus the Red Sport International was not so ludicrous a conception as it might appear at first sight to an English reader.

Auxiliary organizations of a similar kind were created by the Communist Groups abroad to suit the circumstances of the countries in which they were operating respectively. In the United States, for example,[3] the Communist Party, which there was an underground organization, apparently maintained and controlled another organization called 'The Workers' Party of America', which was ostensibly non-revolutionary and was therefore able to work in the light of day; and, in addition to this, it cultivated special fields by means of the Women's Auxiliary of the Communist Party of America, the Trade Union Educational League, the African Blood Brotherhood, the Friends of Soviet Russia, and the Russian Famine Relief—all of which had been identified, in the judgement of the State Department, as Communist agencies.

On the Fifth Anniversary of the Third International, Zinoviev was reported[4] to have drawn up a list of fifteen tasks, to the

[1] Quoted in *The Times* of the 8th March, 1924, from an article by Kolarov, General Secretary of the International, which had been published in the Moscow *Izvestia* of the 4th in celebration of the Fifth Anniversary of the Third International.

[2] See *The Times*, 22nd September, 1924.

[3] See the evidence presented by the State Department, cited on p. 192 above.

[4] *The Times*, 4th March, 1924.

accomplishment of which the International must apply itself forthwith.

> First, the International must aim steadily at an early proletarian revolution in Germany. Not only the German Communist Party, but the Communist Parties of Russia, France, Poland, and Czechoslovakia must collaborate in the preparation for this event. The second urgent task, which affected British Communists in particular, but in which the whole Communist International must take its part, was to create a powerful Communist Party in Great Britain. The third task was to render assistance to the Communists of America and Japan. The remaining tasks included careful work in Poland, where a crisis was rapidly developing, and in Bulgaria, whence, according to Zinoviev, revolution would spread and envelop the whole of the Balkans. But a good half of the Third International's attention must be directed Eastward. The International, Zinoviev concluded, must at present follow the tactics of the Russian Communist Party, but as soon as the proletariat overthrew the *Bourgeoisie* in another country, the headquarters of the International must be removed to that country.

This programme may conclude the present survey of the methods of Communist propaganda. At the time of writing, the information accessible, outside Russia, regarding either the Third International or the U.S.S.R. was so notoriously untrustworthy that the foregoing account is offered with some diffidence. At the same time it is submitted that it contains nothing intrinsically impossible or even improbable ; and any Western readers who may be inclined to reject the whole picture as fantastic should remind themselves that the citadel in Holy Russia, from which this strange religion was conducting its missionary activities, lay outside the borders of the Western world. If the truth or falsehood of the picture is to be judged at all on *a priori* grounds, the precedents must be sought, not in the West, but in the history of other non-Western societies, and in Islamic history, at least, several remarkable precedents will be found. While the term ' cell ' was a metaphor taken from an hypothesis of modern Western science, the method indicated was as old as the propaganda (*da'wa*) by which the 'Abbāsids had undermined the power of the Umayyads during the first half of the eighth Christian century, and these Muslim missionaries (*du'āt*) were true *confrères* of the Communist propagandists in the insidiousness, the versatility, the discipline, and—it must be added—the fearlessness with which they set about their subversive work. A still closer parallel is afforded by the history of the 'Ismā'īlī sect of the Shī'a, who in the ninth Christian century were organized into a secret society by 'Abdu'llāh b. Maymūn, and who, under the redoubtable

name of Assassins, made themselves the terror of Muslim and Frank alike from their seizure of the Castle of Alamut in A. D. 1090–1 until A. D. 1256, when they were trampled under foot by the Mongols.

> 'To bind together in one association the conquered and the conquerors; to combine in one secret society, wherein there should be several grades of initiation, the free-thinkers, who saw in religion only a curb for the common people, and the bigots of all sects; to make use of the believers to bring about a reign of the unbelievers, and of the conquerors to overthrow the empire which they themselves had founded; to form for himself, in short, a party—numerous, compact, and schooled to obedience—which, when the moment was come, would give the throne, if not to himself, at least to his descendants: such was the dominant idea of 'Abdu'llāh b. Maymūn—an idea which, grotesque and audacious though it was, he realized with astonishing tact, incomparable skill, and a profound knowledge of the human heart.'
>
> To attain this end, a conjunction of means was devised which may fairly be described as Satanic. Human weakness was attacked on every side; devoutness was offered to the believing; liberty, not to say licence, to the reckless; philosophy to the strongminded; mystic hopes to the fanatical; and marvels to the common folk. . . . And this system was put in movement with a calm resolve which excites our astonishment and which, if we could forget the object, would merit our liveliest admiration.[1]

These words, written by two European scholars before Lenin's name was known, and in reference to events which took place nearly a thousand years before he was born, might serve, with scarcely a change, as an epitaph for this latter-day reincarnation of the Propagandist of Propagandists, the Old Man of the Mountain.[2]

(*c*) The Communist Rising in Esthonia (December 1924)

The Communist activities in Esthonia, which had not ceased since the establishment of normal diplomatic relations between the Esthonian Republic and the U.S.S.R.,[3] had become so menacing by the beginning of 1924 that in January the Esthonian Government made wholesale arrests of suspects, including several members of Parliament. This measure was a new departure, since up to that

[1] This passage is quoted from de Goeje, quoting Dozy, by Professor Edward Browne in his *Literary History of Persia*, Vol. i, pp. 394–5 (London, 1902, Fisher Unwin). For an expert account of the history of the 'Ismā'īlīs, in which the historical facts are disengaged from romance, see not only this volume, Ch. XII, *passim*, but also Vol. ii (London, 1906, Fisher Unwin) Chs. III and VII. For the romantic version, see Marco Polo, Colonel Sir Henry Yule's translation of his Book, Chs. XXIII–XXV (third edition, London, 1903, John Murray).

[2] *Dā'i-d-Du'āt, Shaykhu'l-Jabal.*

[3] See *Survey, 1920–3*, p. 240.

time it had been the Government's policy only to prosecute Communists actually caught red-handed in 'criminally subversive action aimed at the violent destruction of the Esthonian Constitution'; but the Minister of the Interior justified the arrests on the ground that the local Communists were simply a branch of the Third International. He possessed proofs, he declared, that the International was minutely directing and controlling their activities and supplying them with funds, and that there was a definite plan of campaign for overthrowing the Constitution by a *coup d'état*.[1] This declaration led to a sharp controversy between the Esthonian Government and M. Stark, the diplomatic representative of the U.S.S.R. at Reval—M. Stark protesting his innocence and demanding an explanation, while the Government, without accusing M. Stark personally, maintained that the Legation had served as a channel for the transmission of funds and instructions to the Esthonian Communists from the head-quarters of the Third International in Moscow.[2] The documents captured on the occasion of the arrests, which were submitted for examination to six jurists and to a special parliamentary commission, were alleged to contain plans for an armed rising of the Esthonian Communists, who were immediately to be reinforced from across the frontier by two Esthonian regiments of the Red Army. When the existing Government had thus been overthrown, an Esthonian Soviet Republic was to be proclaimed, and the new Government was to apply for admission to the U.S.S.R.[3] Nevertheless, under strong diplomatic pressure from the Moscow Government, an expostulatory note, addressed to M. Stark by the Esthonian Government, was withdrawn on the 28th February.[4]

In August, and again in September, it was reported that fresh plans for a Communist rising, on the same lines as the above, had been brought to light,[5] and on each occasion further arrests were made. The number of prisoners awaiting trial rose to 149. An attempt to rescue them was made by an armed band during the night of the 5th November, but this failed,[6] and on the 9th November they were duly brought to trial at Reval before a military court.[7] As a result of the obstruction of the proceedings by noisy demonstra-

[1] See *The Times*, 4th February, 1924.
[2] *Ibid.*, 14th February, 1924.
[3] *Ibid.*, 22nd February, 1924.
[4] *Ibid.*, 1st March, 1924.
[5] See the *Deutsche Allgemeine Zeitung*, 13th August, 1924; *The Times*, 1st October, 1924.
[6] *The Times*, 7th November, 1924.
[7] *Ibid.*, and *Le Temps*, 12th November, 1924.

tions among both the public and the prisoners, twelve of the latter were removed by order of the Court and one of these—a member of Parliament named Tomp—was condemned in private by a special military court and summarily shot.[1] The trial ended on the 27th. All the accused were found guilty of having conspired to overthrow the Constitution by violence in accordance with a plan prepared by the Third International, and all save seven, who were released, were sentenced to terms of imprisonment varying from penal servitude for life to three years.[2]

This severe judgement of the Court was followed three days later by a formidable attempt to carry into effect the very plan which had just been brought to light.[3] The number of combatants engaged on the Communist side was small—possibly not more than 200—and the fighting only lasted about five hours (5.30 to 10.30 a.m.) before the authorities restored order; but the assailants were a *corps d'élite*, picked and disciplined on the new system of 'Communist cells', and their tactics were masterly. Had the plan been put into action without warning, at the beginning instead of the end of the year, it might well have achieved success.

At 5.30 on the morning of the 1st December sudden and simultaneous attacks were delivered by quite small parties of determined men upon almost every vital point in the city—the President's flat, the parliament house, the war office, the officers' training school, the infantry barracks, the aerodrome, the post and telegraph offices, and the two railway stations—with the double object of seizing strategic positions and assassinating the heads of the State. The principal railway station, the post and telegraph offices, and the aerodrome were for several hours in the insurgents' hands; elsewhere they were beaten off, though a small detachment penetrated to the second story of the war office before it was overcome, and the President narrowly escaped capture in his flat.[4] On the Government side there were twenty killed, including M. Kark, the Minister of Communications, and forty wounded. Martial law was proclaimed, and a Commander-in-Chief, General Laidoner, appointed with special powers. Sixty persons were arrested during the day, and, before the evening of the 1st December, a court martial was stated officially

[1] *The Times*, 17th November, 1924.
[2] *Ibid.*, 28th November; *Le Temps*, 30th November, 1924.
[3] See *The Times*, 2nd December, and the *Deutsche Allgemeine Zeitung*, 3rd and 11th December, 1924, for a general account of the events of the 1st December in Reval.
[4] *The Times*, 11th December, 1924.

to have condemned twenty prisoners to death, while acquitting three.[1] During the following weeks urgent legislation was prepared for submission to Parliament early in the new year. It was proposed that certain political crimes should thenceforth be punishable with death and that organizations affiliated to the Third International should be absolutely prohibited.[2] More arrests were made at the end of the month,[3] and by the beginning of January the total number of persons arrested in connexion with the rising was officially stated to be 185.[4]

The Esthonian Social Democratic Party vehemently dissociated themselves from the Communists' activities. In Parliament, on the 16th December, they voted for the Government and made a formal declaration that they had decided unanimously 'to oppose all foreign violence', and that they would 'firmly support the principle of democratic government'.[5] They followed this up by filing with the Second International a statement in regard to the rising, in which they defended the line which they had taken.[6] In this policy they were not unrepresentative of the industrial proletariat of their country, for on the 1st December it had been remarked that the factories in Reval had continued to work while the fighting was going on and that the number of the absentees had not exceeded the Monday average [7]—a proof that the rising was not a *levée en masse* of the workers but a *Putsch* conducted by a comparatively small band of men.[8] It was found, moreover, that more than half the prisoners had arrived in Esthonia from Soviet territory only a few days before the rising, and that some of them knew no Esthonian and spoke Russian only.[9] Among Esthonians in the Government service there was only one case of treachery reported.[10]

It was more difficult to determine to what extent the Soviet

[1] *Ibid.*, 3rd December, 1924.
[2] *Le Temps*, 27th December, 1924.
[3] *Ibid.*, 1st January; *The Times*, 5th January, 1925.
[4] *The Times*, 8th January; *Le Temps*, 9th January, 1925.
[5] *Le Temps*, 20th December, 1924.
[6] *The Times*, 5th January, 1925.
[7] It was presumed that the outbreak had been arranged for a Monday because the average number of absentees from the factories was greater on Mondays than on other days, and the Communists expected (mistakenly) that any workmen in the streets would join them spontaneously when once the fighting had begun.
[8] *The Times*, 4th December; the *Deutsche Allgemeine Zeitung*, 11th December, 1924.
[9] *The Times, loc. cit.*
[10] *The Times* and the *Deutsche Allgemeine Zeitung, loc. cit.*

Government, and particularly the Soviet Legation at Reval, were implicated. The Leningrad *Pravda* had apparently announced on the 28th November that by the 2nd December Esthonia would be freed from the *Bourgeois* régime. It was also stated that foreign (it was presumed, Russian) warships had hovered in the offing while the fighting was going on and had only steamed away after the rising had failed; that the Soviet Legation, which was usually dark all night, had on this occasion been brilliantly lighted up; and that Budenny's cavalry had been concentrated in the Leningrad district close to the frontier. None of these rumours was officially confirmed.[1] On the other hand, one of the Communists killed at the officers' training school was said to have borne papers certifying that he was a courier in the Soviet Government's service named Maritov,[2] and at least one employee of the Legation was said to have been taken alive under arms. The complicity of the Soviet Government was officially denied in the Moscow *Izvestia*,[3] but the documents which fell into the Esthonian Government's hands appear to have furnished overwhelming proof that the Communist movement had been organized by agents of the Third International introduced into Esthonia as the Soviet Government's commercial and diplomatic employees.[4]

It is also to be noted that similar developments took place simultaneously in the two neighbouring border states, Latvia and Finland, though here they did not come to a head in the form of armed outbreaks.

On the 9th July fourteen alleged Communist leaders were arrested in Latvia,[5] being charged, like their Esthonian comrades, with having acted under instructions from the Third International to overthrow the existing Constitution and to establish (or, rather, in this case, to re-establish)[6] a Soviet régime. These fourteen with three others were tried and sentenced in November.[7] In the meantime the trial had taken place at the end of July of thirty-nine persons previously arrested, twenty-seven of whom were sentenced to various terms of hard labour and twelve acquitted.[8]

[1] See a careful statement by General Laidoner in *Le Temps*, 8th December, 1924.
[2] *The Times*, 4th and 6th December, 1924.
[3] *Ibid.*, 5th December, 1924.
[4] *Ibid.*, 9th December, 1924.
[5] *Ibid.*, 11th July, 1924.
[6] There had been a Soviet Government in Latvia during the first five months of 1919.
[7] The trial began on the 11th November (*The Times*, 12th November, 1924).
[8] *The Times*, 28th July; *Le Temps*, 1st August, 1924.

In Finland all Communists were formally disfranchised in March by a decision of the Supreme Court ; [1] and on the 20th June 108 prisoners, including all Communist Members of Parliament, who had been arrested as early as August 1923 on the charge of attempting to overthrow the Constitution, were found guilty and sentenced to varying terms of imprisonment.[2] At the same time the Communist Party was officially declared to be dissolved, and this was followed by the systematic prohibition of labour meetings. This drastic policy, however, met with some opposition in Parliament from the Social Democrats.[3]

(*d*) Russo-Polish Relations

Poland, like the Baltic States, had signed a formal peace treaty with the U.S.S.R.,[4] and the re-establishment of normal diplomatic relations was signalized by the arrival at Warsaw of the first regular diplomatic representative of the Soviet Government early in January 1924.[5] Before the month was over, the Soviet Government proposed negotiations for the conclusion of a railway convention ; [6] these were duly opened in Warsaw on the 2nd April,[7] and on the 24th the convention was signed [8]—an achievement which seemed to justify the optimistic statements by the Polish diplomatic representative, M. Darovski, which had been published during February and March in the Moscow Press.[9] Arrangements were also made for the exchange of prisoners, and by the beginning of May 108 Polish prisoners from Russia had been exchanged for 33 Communist prisoners from Poland.[10] Finally, on the 18th July, a consular convention was signed, under which Soviet consulates were to be established at Danzig, Lemberg, and Lodz.[11]

Unfortunately, this patch of clear sky was rapidly overcast. For example, on the Mixed Russo-Polish Commission, which had been appointed to settle accounts arising under the economic and financial clauses of the Riga Treaty, a hitch occurred at the beginning of July over the reimbursement of Polish funds in Russian savings

[1] *Le Temps*, 25th March, 1924.
[2] *The Times*, 21st June, 1924.
[3] *Ibid.*, 6th and 7th November, 1924.
[4] See *Survey, 1920–3*, p. 227.
[5] *Le Temps*, 2nd January, 1924.
[6] *The Times*, 19th January, 1924.
[7] *Le Temps*, 5th April, 1924.
[8] *Ibid.*, 27th April, 1924. This instrument dealt with passenger and goods traffic, but not with cattle or munitions.
[9] *Ibid.*, 17th February and 9th March, 1924.
[10] *Deutsche Allgemeine Zeitung*, 4th May, 1924.
[11] *The Times*, 31st July, 1924.

banks,[1] and this was followed by the arrest in Moscow of two of the Polish representatives.[2] A number of other points of greater material importance still remained unsettled, although the definitive Riga Treaty had been signed as far back as the 18th March, 1921.[3] Meanwhile, on the 23rd May, M. Čičerin had protested to the Polish Government against the treatment of minorities in Poland, invoking Article 7 of the Riga Treaty, under which either party had undertaken to assure to the respective minorities their cultural, linguistic, and religious liberty; and this led to an acrimonious correspondence —the Polish Government maintaining that the execution of the article in question was solely within the domestic jurisdiction of the Government concerned in either case, and that the intervention of the other Government was expressly precluded.[4] A fresh controversy over the minorities question was precipitated by certain references to Eastern Galicia which were made, during the Anglo-Russian negotiations in London, by the Soviet delegate, M. Rakovski, and against which the Polish Government lodged a formal protest at Moscow on the 8th September.[5] By far the most serious impediment, however, to the establishment of neighbourly relations between Poland and the U.S.S.R. arose from subversive activities on Polish territory.

In the summer of 1924 the Polish territories adjoining the frontier established by the Riga Treaty were disturbed by a series of raids from across the border; and on the 3rd August these culminated in an attack upon the town of Stolbce,[6] the Polish frontier-station on the Warsaw-Moscow Railway. As in the subsequent outbreak of the 1st December at Reval,[7] vital points were selected for attack. The majority of the raiders, who numbered about 160, were captured by Polish cavalry while attempting to retreat into Soviet territory. The Polish Government promptly addressed a *note verbale* on the subject to the *ci-devant* Prince Obolenski, the Soviet Minister at Warsaw,[8] and the Soviet Government promised an inquiry.[9] Before the month was out, however, a number of fresh raids were reported

[1] *Le Temps*, 7th July, 1924. [2] *Ibid.*, 7th August, 1924.
[3] For a detailed survey of the state of these economic and financial negotiations see *The Times*, 4th September, 1924.
[4] *Le Temps*, 29th May, 1924.
[5] *Le Temps*, 10th September; the *Corriere della Sera*, 10th September; and *Le Temps*, 30th September, 1924.
[6] See *The Times*, 6th and 8th August, 1924.
[7] See Section (ii) (*c*) above.
[8] For the text of this note, containing the Polish official account of the incident, see *Le Temps*, 10th August, 1924. [9] *Ibid.*, 15th August, 1924.

at various points on the frontier,[1] and General Sikorski, the Polish Minister of War, stated categorically to the Press that the raiding bands were well armed and disciplined, that they carried out precise plans of operations, and that they were organized by the Political Bureau of the Russian Communist Party at Moscow, with subsidiary bases at Minsk and Kiev.[2] The Soviet Government replied by denying that the band which had raided Stolbce had come from Soviet territory, and by protesting energetically against the assertions of General Sikorski, while at the same time making the counter-accusation that ' White ' bands, organized by the Second Bureau of the Polish General Staff, were in the habit of raiding the territories of the Union from the Polish side of the frontier.[3] On the 26th September a Polish railway train was held up by bandits at Luminiec, a junction about 140 miles east of Brest-Litovsk and not far from the frontier, and in this case, again, the bandits were alleged to have come from the Russian side.[4] After this, the Polish Government proceeded to reorganize the three eastern border provinces by concentrating the civil and military powers in the hands of military governors and by forming a special corps of frontier guards ; and these new arrangements were said to have been discussed by General Sikorski with the French military authorities during a visit which he paid to Paris in October.[5] In this unpromising atmosphere the delimitation by a Mixed Russo-Polish Commission of the frontier established under the Riga Treaty was completed in the course of the same month.

These disturbances in the Polish border provinces indicated that the U.S.S.R. was an uncomfortable neighbour, but they were not in themselves conclusive evidence of anti-Polish activities on the Soviet Government's part. This long frontier, traversing an undeveloped country devastated by recent warfare, was difficult to control from either side. The Riga Line, moreover, completely ignored the principle of nationality, and the non-Polish minorities under Polish rule were by no means reconciled to their position. With such inflammable material on the spot, the Soviet Government, when accused of fostering frontier disturbances, might claim the

[1] *The Times*, 28th August ; the *Deutsche Allgemeine Zeitung*, 5th September, 1924.
[2] *Le Temps*, 31st August, 1924.
[3] *Ibid.*, 11th and 13th September ; the *Deutsche Allgemeine Zeitung*, 11th September, 1924.
[4] *The Times*, 29th September, 1924.
[5] *Ibid.*, 2nd and 17th October ; the *Deutsche Allgemeine Zeitung*, 15th October, 1924.

benefit of the doubt; but there was no such uncertainty in regard to the activities of the new Soviet Legation at Warsaw.

Before the Legation had been installed in the Polish capital for six months, the Polish Government had to request that six of its members should be recalled, on account of their having misused their position in order to carry on propaganda and espionage. They left on the 30th July,[1] and on the 4th August an official of the Soviet Commercial Mission in Moscow was caught in the act of disseminating subversive literature and arrested.[2] Almost immediately afterwards, the central Communist propaganda office in Poland was discovered and raided by the police.[3] After this Prince Obolenski was recalled and M. Voikov designated as his successor.[4] After some hesitation, the Polish Government agreed to his appointment on the 26th September,[5] but M. Voikov was nearly prevented from taking up his duties by a further controversy between the two Governments regarding assaults on Polish diplomatic officials in Moscow and Leningrad and on a Soviet diplomatic official in Warsaw.[6]

(*e*) Communism in South-Eastern Europe

A new opening for Communism in South-Eastern Europe was offered by the overthrow of M. Stamboliski's Government in Bulgaria in June 1923. Up to that time the popular resentment in Bulgaria against the *Bourgeois* politicians who had led the country successively into two disastrous defeats had found vent in the Agrarian Movement, and this predominance of the Agrarian Party in Bulgaria had been on the whole more unfavourable to the prospects of the Third International than the 'White' régime in Hungary. The 'White' régime was so militant, and had the active support of so small a minority of the Hungarian population, that it might conceivably excite a Communist reaction. M. Stamboliski's Agrarian Government, on the other hand, professed to be founded upon the peasantry, that is, upon the mass of the Bulgarian

[1] The arrest of two Polish members of the Mixed Commission in Leningrad, referred to above, was believed to be a counter-move to these expulsions, since it took place during the week's grace allowed to the six members of the Soviet Legation at Warsaw for making their preparations for departure.

[2] *The Times*, 8th August, 1924.

[3] *Ibid.*, 9th August, 1924.

[4] *Ibid.*, 22nd August, 1924. M. Voikov was believed to have been one of the Soviet officials personally responsible for the execution of the Russian Imperial Family.

[5] *Ibid.*, 29th September, 1924. [6] *Ibid.*, 21st and 22nd October, 1924.

people ; and the support which he received from this quarter undoubtedly enabled him to override the *Bourgeoisie* for nearly four years without having to look to the ' Reds ' for assistance. His aim, in fact, seems to have been to build up a ' Green International ', or, more accurately, a ' Green Entente ' among the peasant nations of Eastern Europe, which would be able to hold its own against the European *Bourgeoisie* on the one hand and the Third International on the other ; and towards the Bulgarian Communists he maintained an attitude of aloofness, varied by bouts of repression. After the *coup d'état* of June 1923, however, which resulted in the overthrow and death of M. Stamboliski and the accession of Professor Tsankov's semi-Fascist *Bourgeois* Government to power, the defeated Agrarians were thrown into the Communists' arms ; the joint Agrarian-Communist rising of September 1923 was made under the Communists' leadership ; and, although that rising failed, it left the Communists in the field as the principal anti-governmental party. Since the new *Bourgeois* Government represented a small minority which was maintaining itself in power by force, its position was probably more precarious than that of its predecessor which had just fallen, and if a second revolution were to occur, this time the Communists might expect to secure the reversion.

Against the Government and on the side of the forces of disorder was the cumulative social dislocation arising from the peace settlement and the consequent political discontent, which was inevitably directed against the Government of the day. By the Treaty of Neuilly, Bulgaria had been burdened with the payment of Reparation and the even more irksome charge of the Inter-Allied Commissions of Control ; [1] she had been compelled to substitute a professional for a conscript army (a change which still further embarrassed her finances, while leaving the Government militarily so weak that it was not only incapable of aggression but was hardly in a position to maintain internal order) ; she had been cut off from territorial access to the Aegean Sea ; [2] and she had once more been separated from her nationals in Macedonia, whom, after long years of effort, she had succeeded in uniting to herself from 1915 to 1918. These factors—particularly the weakness of the Bulgarian Army and the open sore in Macedonia—lent themselves admirably to the Third International's strategy. The impotence of the *Bourgeois* Government to redeem the Macedonians or even to ameliorate their

[1] See II. B. (v) below.
[2] See *Survey, 1920–3*, pp. 338–40.

lot—an impotence which was absolute, owing to the existence of the Little Entente and the general international situation—could be turned effectively to their discredit, since the most telling point in their indictment of M. Stamboliski had been his alleged treachery to the national cause in coming to terms with Jugoslavia at the Macedonians' expense, while in overthrowing him they had been indebted to the assistance of the Macedonian refugees—an armed and organized body of desperate men who were one of the most formidable forces in Bulgaria at this time. If the Macedonian leaders could be set against the Tsankov Government, the latter might fall before a Communist assault ; and the Communists—who could not make much headway with the Marxian dogma in a country of peasant proprietors where an urban proletariat hardly existed—might then present themselves in a more popular light as the most effective champions of Bulgarian national aspirations. On the 3rd August, 1924, the Berlin *Rote Fahne* declared that the only real solution for the Balkan problem was a social revolution in each Balkan state, to be followed by the establishment of a federal republic in which every Balkan nation would be included as an autonomous member.[1] This programme was referred to again in December by M. Joffe, when he was on the point of leaving Moscow to take up his post as the Soviet Government's representative in Vienna.[2] That was, indeed, precisely the policy which the Bolsheviks had already pursued with success in Transcaucasia. In that region, Azerbaijan had been their *point d'appui* ; in the Balkan Peninsula, the country marked out for the same role was Bulgaria ; and, if once Bulgaria were secured, the Macedonian and Croat peasant national movements, upon which the *Rote Fahne* laid stress in the article above mentioned, might supply the further leverage for overthrowing the established order in Jugoslavia.[3]

After the failure of the rising in September 1923, the Bulgarian Communist organization appears to have gone underground and continued its activities under the title of a ' Labour Party '.[4] On the 2nd April a conditional amnesty was granted to some thirty or forty Agrarian and Communist leaders who had taken part in the struggles of 1923, and who had been excepted from the general amnesty of January 1924 ;[5] but about twenty Communist leaders

[1] *The Times*, 4th August, 1924. [2] *Ibid.*, 16th December, 1924.
[3] For a general review of the Communists' position in Bulgaria see *The Times*, 5th August, 1924.
[4] *Ibid.*, 25th February, 1924.
[5] *Ibid.*, 4th April ; *Le Temps*, 25th April, 1924.

who were actually in prison appear to have been excepted this time also.[1] On the 3rd April the Court of Cassation, which had been requested by the Government in March to examine the relations between the Labour and Communist Parties, ordered the dissolution of both Parties and also of the *Osvobojdenie* Co-operative Society, on the ground that the activities of these organizations were directed against the security of the state.[2] On the 30th April two letters, dated the 7th and 25th March and purporting to have been written from Berlin to the Bulgarian Communist Party by M. Kolarov, the Secretary of the Third International in Moscow, who was himself a Bulgarian by origin, were made public in Sofia.[3] In August the smuggling of arms and munitions into the country led to the proclamation of a state of siege in Eastern Bulgaria,[4] and when a vessel laden with munitions was captured near Mesembria on the 14th August [5] 107 persons were arrested on the charge of complicity.[6]

While it is difficult to estimate the amount of truth in these allegations of Communist activities inside Bulgaria,[7] the difficulty is still greater in the case of the alleged negotiations between the Third International and the Macedonians. That the Third International had a strong motive for attempting to drive in a wedge between the Macedonian leaders and M. Tsankov's Government has been explained already; and the Macedonians, on their part, had every reason to be disillusioned. As early as February, Colonel Vulkov, M. Tsankov's Minister for War, had declared in the Sobranje that 'the Government does not support or encourage the Macedonian Movement;' [8] and, under diplomatic pressure from Jugoslavia, M. Tsankov had been forced so far to tread in M. Stamboliski's footsteps as to arrest several hundred Macedonian *émigrés* on Bulgarian soil who were suspected of active participation in irredentist activities.[9] Thus it was not inherently improbable that a section, at any rate, of the Macedonians should turn in despair towards Moscow, as the Croat leader M. Radić admittedly did in the summer of this year;[10] and it was, in fact, reported that Todor Alexandrov, the head of the Macedonian Revolutionaries, paid a three days'

[1] *Le Temps*, 5th April, 1924.
[2] *The Times*, 5th April, 1924.
[3] *Ibid.*, 2nd May, 1924.
[4] *Ibid.*, 15th and 16th August, 1924.
[5] *Ibid.*, 16th and 18th August, 1924.
[6] *Le Temps*, 19th August; *The Times*, 6th September, 1924.
[7] The difficulty may be gauged by comparing two articles on the subject published respectively in *The Times* of the 8th July and *The Manchester Guardian* of the 18th August, 1924.
[8] *The Times*, 28th February, 1924.
[9] *Ibid.*, 9th July, 1924.
[10] See below, p. 211.

visit to London, from the 30th May to the 1st June, in order to discuss possibilities of co-operation with M. Rakovski.[1] It was afterwards denied by the Macedonian Revolutionary Organization that this meeting had taken place;[2] but on the 15th July *La Féderation Balkanique* of Vienna published the text of a manifesto, dated the 6th May, 1924, and purporting to have been signed by Todor Alexandrov, A. Protogerov, and Peter Chaülev in the name of the Organization, in which it was declared that the Macedonians could now 'only rely on the progressive and extreme revolutionary movements of Europe'; that they must rally for the formation of a 'revolutionary front'; and that this would be the foundation of a 'united revolutionary front' which, 'in close collaboration with the progressive and revolutionary movements in Europe and the Balkans', would 'win independence for Macedonia' and 'impose the formation of a Balkan Federation'.[3] If this text was genuine, it indicated that already, by the beginning of May, the Macedonians had accepted the Moscow plan of campaign. Its authenticity was officially denied by the Macedonian Revolutionary Head-quarters in a communiqué published in Sofia on the 5th August;[4] but it was perhaps significant that this communiqué was signed by Alexandrov and Protogerov but not by Chaülev, and also that, while it was declared that the Macedonians were engaged in a nationalist movement and would not tolerate interference from any quarter, it was also put on record that the Organization would not take part in any internal conflicts in Bulgaria. The most likely explanation is that negotiations with the Bolsheviks had already taken place and that Chaülev had been in favour of accepting their terms while Todor Alexandrov had been against it. At any rate, it is certain that, about this time, the Macedonian Organization was split, through some cause or other, by an internal division, so violent that it ended in mutual assassination—Alexandrov being murdered by a dissident faction amongst his followers on the 31st August, while Chaülev suffered the same fate, in reprisal, on the 23rd December.

This alienation of the Macedonians was a serious thing for M. Tsankov and his colleagues, who had shown little restraint in taking revengeful and repressive measures against their defeated political opponents, and who now found themselves exposed to the danger of a counter-stroke, without any organized force on which they could rely. During the summer they had asked permission

[1] *The Times*, 19th July, 1924.
[2] *Ibid.*, 1st August, 1924.
[3] *Ibid.*, 5th August, 1924.
[4] *Ibid.*, 6th August, 1924.

to recruit 3,000 volunteers for a period of three months, but the Conference of Ambassadors, in its reply of the 25th August, had reserved this request for further consideration, while instructing the Government to disband militia already illicitly enrolled. In these circumstances, M. Tsankov visited Belgrade on the 26th December and Bucarest on the 29th in order to advocate a common front against those revolutionary forces which were already attempting to form a common front on the other side. In both capitals the Communist danger was discussed on this occasion ; but M. Tsankov's reception at Belgrade seems to have been cool, and, although he received a better welcome at Bucarest, it was officially denied on all hands that any formal agreement had been concluded between the three countries.[1]

Meanwhile, the Macedonians were not the only recalcitrant nationalists in Jugoslavia who had turned their eyes towards Moscow. A more powerful factor of instability than the Macedonian revolutionaries was the Croat Peasant Party led by M. Stephen Radić ; and while the relations of this Croat leader and his followers with the Jugoslav Government and the other parties in the state were an internal affair of Jugoslavia and therefore do not fall within the province of this survey, his journey, in the summer of 1924, from Vienna, where he was living as an *émigré*, to Moscow was an international event of some importance. On this visit M. Radić, acting upon authority which had been conferred on him by his party on the 1st May, negotiated the adhesion of the Croat Peasant Party to the Moscow Peasant International (one of the subsidiary organizations affiliated to the Third International), and on the 3rd August—at a moment when it was expected that one wing, at least, of the Croats might support M. Davidović's Government at Belgrade and might even enter the Cabinet—the party, in a plenary session at Zagreb, passed a resolution unanimously approving and endorsing what M. Radić had done.[2] Since, however, they resolved simultaneously to support the Government upon conditions, though without entering its ranks, and since M. Davidović depended on this support for his majority, M. Radić was permitted to return to Jugoslavia. At the end of October, however, M. Radić, on being challenged by the Government to declare whether he maintained his

[1] See statements by M. Ninčić (*Le Temps*, 1st January, 1925) and by M. Tsankov (*The Times*, 2nd and 5th January, 1925 ; *Le Temps* and the *Deutsche Allgemeine Zeitung*, 7th January, 1925).

[2] *The Times*, 6th August, 1924.

republican programme or accepted the framework of the Jugoslav Kingdom, and also to clear up his relations with Moscow and the Macedonians,[1] returned a defiant answer and once more fled the country.[2] At the end of December the Government decided to dissolve the Croat Peasant Party [3] as a subversive organization adhering to the Third International and to arrest its leaders under the Defence of the Realm Act.[4] The Communist Organization in Jugoslavia (at that time entitled the 'Independent Labour Party') was also dissolved on the 13th December, after the publication of a report from Vienna that a combined Macedonian-Croat-Communist rising had been timed to break out at the end of January 1925.[5]

In Rumania the Communist Party had been officially dissolved nearly six months earlier, on the 28th July.[6] Rumania was in a more exposed position than Jugoslavia, and the Bessarabian question [7] was a standing obstacle to the re-establishment of good relations with Russia, whatever might be the complexion of the Russian Government of the day. Thus Rumania was more inclined than either Jugoslavia or Greece to show complacence towards Bulgaria under the Tsankov régime; but this tendency could make little head against the rooted tradition of national feuds, and so long as that tradition maintained itself in South-Eastern Europe M. Zinoviev had no reason to despair of ultimately attaining his ends.

(*f*) Communism in Germany (1923–4)

A new opening in Germany was presented to the Third International by the struggle between Germany and France which began with the Franco-Belgian occupation of the Ruhr on the 11th January, 1923;[8] and in the summer of that year, when the struggle was

[1] The Vice-President of the Croat Peasant Party, Dr. Predaveć, had previously denied that M. Radić had come to terms with Todor Alexandrov (*The Times*, 13th August, 1924).

[2] The *Corriere della Sera* and the *Deutsche Allgemeine Zeitung*, 26th October, 1924.

[3] At about the same time a group within the party decided to break away from M. Radić and attempt an understanding with the Serbs (the *Deutsche Allgemeine Zeitung*, 18th November and 30th December, 1924).

[4] *Le Temps*, 26th December; the *Deutsche Allgemeine Zeitung*, 28th December, 1924.

[5] *Le Temps* and the *Deutsche Allgemeine Zeitung*, 2nd December; *The Times*, 15th December, 1924. Wholesale arrests of supposed Communist leaders had begun as early as the previous 15th July (*The Times*, 17th July, 1924).

[6] *The Times*, 30th July, 1924.

[7] See Section (vii) below.

[8] For the history of this struggle see II. A. (ii) below.

unmistakably approaching its climax, the Executive of the Third International sent M. Karl Radek to Germany to hold a watching brief, to act as a *liaison* with the German Communist Party, and to assist the latter to bring about a revolution.[1]

At this time the German Communist Party seems to have been divided into a right and a left wing, and in July 1923 the Central Committee, under the inspiration of the left, issued an appeal to the workers against the ' German Fascisti ' and fixed a date for an ' anti-Fascist day '. This move, which promised to precipitate the ' class-war ' in Germany, was approved in Moscow ; but M. Radek, who had identified himself with the right or moderate wing of the German Communists and regarded any attempt at ' direct action ' in Germany at this moment as foredoomed to failure, overruled their judgement, and at his instance they apparently telegraphed to the German Central Committee on the 26th July, advising it to refrain from street demonstrations on the 29th. MM. Kamenev and Zinoviev evidently came to the conclusion that M. Radek's advice had been wrong, and regarded him as personally responsible for the non-achievement of revolution in Germany in 1923. The Central Committee of the Russian Communist Party afterwards censured him for disobedience to orders and the Political Bureau passed a resolution informing the Executive of the International that, on the German question, M. Radek did not represent the views of the Party, while M. Zinoviev declared that ' it was he who pulled back the German Party by the coat-tails, when it should have been urged to fight '. Detailed plans for an armed rising in the autumn of 1923 had, indeed, been worked out by the Central Committee of the German Communist Party, according to the findings of a committee which was appointed next year by the *Reichstag* to inquire into the cases of three Communists who had been arrested on the 28th January in Würtemberg. On the 4th June, 1924, Herr Löbe, in presenting the Committee's report to the *Reichstag*, gave the following details :

> Armed companies had been organized and large quantities of arms had been secured. In Berlin alone 44 depots for arms had been hired

[1] All statements made in this section regarding the part played in Germany during 1923 by M. Radek, by the Executive of the Third International, and by the Political Bureau of the Central Committee of the Russian Communist Party are taken from the reports of a speech delivered on the 10th January, 1924, at a conference of the Communist Party of Moscow Province, by M. Kamenev (*The Times*, 19th January) and a speech delivered in February 1924, at a conference of the Russian Communist Party, by M. Zinoviev (*ibid.*, 6th February, 1924).

> and a bomb factory had been established in Würtemberg in which 10,000 hand-grenades were found. Western Germany had been designated as the centre of the rising. Organizations for controlling traffic and food had been planned, together with a special railway corps for causing railway accidents, to be called the Derailing Column. Plans had also been prepared for disarming the Security Police.

Nevertheless, notwithstanding the timidity of M. Radek and the prudence of President Ebert in proclaiming martial law throughout the *Reich* on the 27th September, 1923,[1]—the date on which he signed his decree cancelling all orders and regulations in support of passive resistance [2]—the demoralizing effect of the surrender to France almost did M. Radek's work for him. In October it seemed as though Bavaria on the one side and Saxony and Thuringia on the other would be carried away respectively by Fascist and Communist movements which would bring them into disastrous collision, not only with one another, but with the *Reich* itself. In both cases the disaster was only just averted.

The Communist movement in Saxony and Thuringia was asserted by M. Zinoviev himself to have been a move in the Third International's game.

> We advocated the entry of members of the (Saxon) Communist Party into the Saxon Government in order to use it as a jumping-off ground and to organize the struggle for power. We expected that the Communist group in the Saxon and Thuringian Governments would insist on the immediate arming of 50,000 to 60,000 proletarians and an attack on the Bavarian Fascisti. Our German comrades had persuaded us that such a manœuvre had a chance of success.

The hand of the Third International was also probably to be seen in a ' Zinoviev Letter ' addressed to the German Communist Party on the 26th March, 1924,[3] and in the activities of the ostensibly philanthropic and law-abiding organization called the International Workers' Relief (in Russian Mopr).[4]

On the 3rd May, 1924, a serious breach between the German and the Soviet Governments was threatened by an incident which occurred at the offices of the Soviet Trade Delegation in Berlin.[5]

[1] Special powers were afterwards conferred on the Government of the *Reich* by an Enabling Bill (*Ermächtigungsgesetz*) which the *Reichstag* passed by 316 votes to 24 on the 13th October, 1923. [2] See II. A. (ii), p. 287 below.

[3] The *Deutsche Allgemeine Zeitung*, 30th April, 1924.

[4] In December 1923 four persons were arrested for carrying on Communist propaganda under cover of distributing food-cards for this society. (*The Times*, 13th February, 1924.)

[5] See *The Times* and *The Manchester Guardian*, 5th May (which give very different versions); *The Manchester Guardian*, 7th May; and the *Deutsche Allgemeine Zeitung*, 6th May, 1924.

Commercial relations between the U.S.S.R. and Germany had been established by a trade agreement of the 6th May, 1921. Thereafter, under Article I of the Treaty of Rapallo of the 16th April, 1922, the two parties had mutually renounced their respective claims, both public and private, against one another; and since they were complementary in the economic sphere and were also both debarred at this time from trading in many directions, an important trade between them might have been expected to spring up within the next few years. In 1922 a trading agreement had been concluded between a consortium of German *entrepreneurs*, headed by the firm of Otto Wolff, and the Kommissariat for Foreign Trade of the Soviet Government; but, after trial, the German consortium had cancelled this agreement on the 20th January, 1924.[1]

On the 3rd May a German Communist named Botzenhardt was being marched on foot across Berlin by two Würtemberger policemen, who imprudently asked their prisoner to act as their guide. He led them to the offices of the Soviet Trade Delegation (where he had formerly been employed), inveigled them inside, and called for rescue. The constables were then hustled by the staff while their prisoner disappeared, and were locked up for some time in an empty room. On their release they reported to the Chief of the Police, on whose orders the Political Police forced their way inside the Delegation buildings, made a thorough search of the office and personally examined all the employees. M. Krestinski, the Soviet Ambassador in Berlin, on being informed of what was happening, immediately called on Herr Stresemann, the German Foreign Minister, and protested against the action of the police on the ground that it was a violation of extra-territorial rights and of international diplomatic usage. Thereupon the German Foreign Office (which had not heard of the incident until they learnt of it from the lips of the Ambassador) called off the police, though without prejudice to the question whether the Soviet Trade Delegation buildings were extra-territorial or not.

An active diplomatic correspondence followed,[2] the German Foreign Office submitting that the offices of the Trade Delegation did not enjoy diplomatic immunities, and both sides also issued communiqués setting forth their respective versions of the incident.[3]

[1] *The Times*, 7th, 29th, and 30th January, 1924.

[2] See *ibid.*, 6th May; the *Deutsche Allgemeine Zeitung*, 6th and 7th May, 1924.

[3] Texts *ibid.*, 6th May, 1924.

The juridical question of the status of the Trade Delegation turned upon Article 2 of the agreement of the 6th May, 1921, which conferred diplomatic privileges upon the Chief of the Delegation and a limited number of his colleagues, but permitted domiciliary visits under certain conditions—conditions which appear, however, not to have been observed by the German authorities on this occasion.[1] While this controversy was in progress, the Central Office of the Trade Delegation in Berlin and the Branch Offices at Leipzig and Hamburg were all closed down; preparations for opening a branch at Königsberg were suspended; dealings with private German firms were broken off; and Russian participation in the Leipzig Fur Auction and the Cologne Fair was cancelled.[2]

On both sides, however, second thoughts produced more conciliatory gestures. The closure of the Soviet Trade Delegation and its branches in Germany was a serious blow to German trade; for, in spite of the dissatisfaction of Messrs. Wolff and their associates with the results of their trading agreement, the value of the German trade with Russia was reported to have risen from 98,000,000 marks (gold) in 1922 to 517,800,000 in 1923 (notwithstanding the economic dislocation and exhaustion produced by the struggle in the Ruhr), and in the spring of 1924 its volume was still increasing.[3] Meanwhile, the embargo which the Soviet Kommissariat for Foreign Trade had placed upon certain consignments of goods which were on the point of being exported to Germany against cash payment, was still further disorganizing the already disorganized internal economic life of the U.S.S.R., for which the Soviet Socialist Government was directly responsible.[4] Consequently, there was a rapid transition on both sides from violent manifestations of passion to an equally strong desire for a settlement, if this could be contrived without loss of face to either party.

The German Government offered to submit the question of extra-territoriality to arbitration, an offer which the Soviet Government apparently ignored;[5] but early in June a note from Moscow, more conciliatory in tone than earlier communications, opened the way to an agreement,[6] and, after nearly two months of further negotiation, a protocol was eventually signed in Berlin on the 28th July.[7] In

[1] See *The Times*, 5th May; the *Deutsche Allgemeine Zeitung*, 6th May, 1924.
[2] *The Times*, 7th May, 1924.
[3] *Ibid.*, 6th May, 1924.
[4] *Ibid.*, 4th June, 1924.
[5] *Le Temps*, 18th May, 1924.
[6] The *Deutsche Allgemeine Zeitung*, 7th June, 1924.
[7] *Ibid.*, 30th July, 1924.

this document [1] the German Government declared that the measures taken by the Berlin police authorities against the Soviet Trade Delegation on the 3rd May were an arbitrary action which was not justified by the information received regarding the escape of Botzenhardt, and offered to make good the material damage done by its officials to the Trade Delegation building. On the other hand, the Soviet Government affirmed that it had forbidden all its officials and employees, including the staff of the Trade Delegation, to take any part whatsoever in the internal political life of Germany. By a provisional understanding, to remain in force for the duration of the agreement of the 6th May, 1921, the premises of the Trade Delegation were to be divided into two distinct portions,[2] one of which was to be assigned to the Trade Delegation proper and was to enjoy diplomatic privileges, while the other was to be subject to the German Government's right of search. A definitive commercial treaty was to be concluded within a year, at the latest, from the signature of the protocol.

Early in August M. Krestinski, the Soviet Ambassador in Berlin, who in consequence of the incident had been, not recalled but granted leave of absence, returned to his post ; [3] and on the 8th November a German delegation left Berlin to negotiate the proposed commercial treaty in Moscow. The German negotiators accepted the Soviet Government's monopoly of foreign trade ; [4] but they appear to have asked in return for a guaranteed percentage of this trade, for the right to import samples, duty free, into the territories of the U.S.S.R., and for facilities for showing these samples to private Russian dealers.[5] The Soviet Government were unwilling to accept these demands and the German delegates returned home a few days before Christmas.[6] Apparently, however, the negotiations were continued through diplomatic channels.

(*g*) Oriental Propaganda

Before the Bolshevik Revolution of 1917, propaganda had been one of the least effective of Russia's weapons in her struggles for power against the British Empire and Japan. The few successes

[1] Text *ibid.*, 31st July ; *précis* in *The Times*, 31st July, 1924.
[2] A plan of this division, which was to count as an integral part of the agreement, was attached.
[3] *Le Temps*, 3rd August, 1924.
[4] The *Deutsche Allgemeine Zeitung*, 4th December, 1924.
[5] *The Times*, 14th February, 1925.
[6] *Loc. cit.* ; and the *Deutsche Allgemeine Zeitung*, 14th February, 1925.

obtained by Imperial Russian propagandists among the Kurds or the Tibetans were greatly outweighed by the general hostility which the aggressiveness of the Czardom inspired in Oriental peoples. Even the Christian Armenians were alienated by Russian attempts to force them into communion with the Orthodox Church, while the Muslims and the Far Eastern peoples regarded Russia as their arch-enemy. Indeed, the odium which Russia had incurred throughout the Oriental World was a diplomatic asset to the British and Japanese Governments which did not lose its value even when the Portsmouth Treaty (5th September, 1905) and the Anglo-Russian Agreement regarding Persia (31st August, 1907) had officially placed the relations of the rival Powers upon a more friendly footing.

In 1917 the positions were suddenly reversed. The Russian armies ebbed away, not only from the territories belonging to Turkey and Persia which they had occupied since August 1914, but from parts of Northern Persia which had been under Russian military occupation since 1909. The U.S.S.R. renounced the Capitulations and the other non-reciprocal rights which the Russian Empire had acquired at the expense of its Oriental neighbours during the preceding century and a half. In the Treaty of Brest-Litovsk (3rd March, 1918) the Soviet Government retroceded to Turkey the Transcaucasian territories (Kars, Ardahan, and Batum) which the Czar Alexander II had conquered in the Russo-Turkish War of 1877–8 ; and after that treaty had been annulled through the overthrow of Turkey and her allies by the surviving Powers of the Entente, the Soviet Government voluntarily transferred all but a fraction of these same territories [1] to Turkey a second time under the Treaty of Moscow (16th March, 1921). Finally, within the frontiers of the U.S.S.R., Bolshevik statesmanship carried out that far-reaching revision of internal boundaries on lines of nationality which has been described above—a reform which restored some measure of political life to a number of Oriental peoples long submerged under the Russian Empire.[2] This new orientation of Russian

[1] This time the U.S.S.R. retained Batum Port and a small strip of Batum Province which was attached, as an Autonomous Soviet Republic of Ajaria, to the Soviet Republic of Georgia.

[2] In Section (i) above (p. 178) a list has already been given of the new autonomous units in the far interior of the Union, and also of those adjoining the external frontiers. To these must be added the following, which, while not actually conterminous with the frontiers, were still near enough to them to exercise an influence upon the independent Oriental peoples beyond them: (i) in the Transcaucasian Federal Republic, the Autonomous Republic of Abkhazia and the Autonomous Province of Yugo-Ossetia ; (ii) in the Russian Federal Republic, the Autonomous Republics of Crimea, the Mountains

policy made an impression upon the minds of the independent Oriental peoples and inclined them to draw a contrast, very favourable to the U.S.S.R., not only between the Bolshevik régime and the Czardom, but between the new Russia and the ex-rivals and allies of the old Russia, that is, Great Britain and Japan ; for, while the Bolsheviks had been making one spectacular renunciation after another to the profit of Oriental peoples, the British and Japanese Governments had been greatly extending the range of their political and military power in Eastern countries. Japan had made a systematic attempt to dominate China ; [1] Great Britain had annexed Cyprus, declared a protectorate over Egypt,[2] obtained the mandates for Palestine and 'Iraq, drawn Nejd and the Hijaz into her orbit, and attempted to impose on Persia the Anglo-Persian Agreement of the 9th August, 1919,[3] and on Turkey the Sèvres Treaty of the 10th August, 1920.[4] During the few months immediately following the Armistice the British army, which, before the outbreak of the War, had occupied no territories in the Middle East beyond the limits of Cyprus, Egypt, the Aden Protectorate, and India, was not only in occupation of Palestine and 'Iraq, and in joint occupation, with other Allied forces, of Syria, the Straits and Constantinople, but was holding the principal strategic positions in Persia and also the lines of the Transcaucasian and Transcaspian Railways in territories which had belonged to the defunct Russian Empire. So long as she held these two railways, Great Britain was able to assist the Russian ' Whites ' against the ' Reds ' and to prevent the shipment of oil from Baku to the territories under the Soviet Government's control. In these circumstances it was not surprising that the Oriental peoples should forget their traditional enmity towards Russia and should make common cause with the Bolsheviks in order to meet a common danger.

The successful co-operation of the Soviet Government with the Persian and Turkish nationalists during these early years after the Armistice has been described elsewhere.[5] The outcome was probably due to the ineptitude of the Russian ' Whites ' and to the prudent

(Vladikavkaz), Daghestan, and the Autonomous Provinces of the Adigeevsko and Karachaevo Circassians, Kabarda, Chechensk, and the Karakalpaks.

[1] See *Survey, 1920–3*, Part VI.

[2] For the subsequent recognition of the independence of Egypt by Great Britain on the 28th February, 1922, see *H. P. C.*, vol. vi, p. 203.

[3] *Op. cit.*, p. 211.

[4] *Op. cit.*, Ch. I, Part II.

[5] For the Soviet Government's intervention in Persia see *op. cit.*, Ch. I, Part V ; and for its relations with the Turkish Nationalists *op. cit.*, Ch. I, Part II, and *Survey, 1920–3*, Part IV, Section (iii).

determination of the British people to reduce their post-war commitments in the East, at least as much as to the Soviet Government's exertions. Yet since these other causes were not apparent to most Oriental observers, the result decreased the prestige of the British Empire and increased that of the U.S.S.R. in the Oriental mind ; and this new Oriental conception of the new Russia as a force at once powerful and benevolent created an atmosphere in which propaganda could thrive. In their struggle for existence, from which they did not emerge until the close of the year 1920, the Bolsheviks had already made vigorous use of this weapon. They had begun by publishing the secret agreements of the war years before the Russian Revolution—agreements under which France, Great Britain, Italy, and Russia had provided for the disposal of the Straits, the greater part of Turkey-in-Asia and the ' Neutral Zone ' in Persia as defined in the Anglo-Russian Agreement of 1907. By the spring of 1921, however, the situation had changed in almost every respect. Except in the Far East,[1] the last ' White ' soldier had been driven from Russian soil ; Great Britain, who had long ago evacuated Transcaucasia and Transcaspia, was withdrawing not only her troops but her military and civil advisers from Persia ; and on the 16th March, 1921, a trade agreement—described in the preamble as a ' preliminary Agreement pending the conclusion of a formal general Peace Treaty '—was signed by representatives of the British and Soviet Governments in London.[2] This instrument was made subject to two conditions, one being—

> That each party refrains from hostile action or undertakings against the other and from conducting outside of its own borders any official propaganda direct or indirect against the institutions of the British Empire or the Russian Soviet Republic respectively, and more particularly that the Russian Soviet Government refrains from any attempt by military or diplomatic or any other form of action or propaganda to encourage any of the peoples of Asia in any form of hostile action against British interests or the British Empire, especially in India and in the Independent State of Afghanistan. The British Government gives a similar particular undertaking to the Russian Soviet Government in respect of the countries which formed part of the former Russian Empire and which have now become independent.

It was to be understood that the term ' conducting any official propaganda ' included the giving by either party of assistance or

[1] See *Survey, 1920–3*, Part VI, Section (ii).

[2] For the negotiation of this agreement see *H. P. C.*, vol. vi, p. 325. The text, which still (subject to the effect of *de jure* recognition) governed Anglo-Russian relations at the time of writing (April 1925), is printed in the British White Paper, *Cmd.* 1207 of 1921.

encouragement to any propaganda conducted outside its own borders. In the event of the infringement by either party of the conditions referred to in the preamble, the other party was immediately to be free from the obligations of the agreement, though before taking any action inconsistent with the agreement the aggrieved party was to give the other party a reasonable opportunity of furnishing an explanation or remedying the default. It remained to be seen whether the Soviet Government would have the will or the power to perform its part in this bargain. On the very same day that the Anglo-Russian Trade Agreement was signed in London, a comprehensive political treaty between the U.S.S.R. and the Government of the Great National Assembly at Angora was signed in Moscow,[1] and this coincidence threw light upon the potentialities of the position which the new Russia had won for herself in the East. These potentialities were such as to arouse those primeval ambitions to which Governments of every complexion are prone, but this was not all. The Soviet Government might genuinely prefer to expand its foreign trade rather than its political power, and might honestly intend to sheathe the weapon of Oriental propaganda now that it no longer felt its own existence to be menaced by the policy of Great Britain; yet M. Čičerin would still have to reckon with M. Zinoviev; and the zealots of the Third International, to whom the interests of the U.S.S.R. were a secondary consideration, might decline to abandon a field of action which they undoubtedly regarded as very favourable for the pursuit of their transcendental aims. If so, their personal ascendancy over the Soviet Government would enable them, the Anglo-Russian Agreement notwithstanding, to use the resources of the U.S.S.R. for their own purposes as they had always done; and this, it seems, was what actually happened.

Already in 1921 the continuance of propaganda, hostile to Great Britain, in Oriental countries was the subject of a diplomatic correspondence between the two Governments. 'After this, there was some slight curtailment of the activities of Russian agents in Asia;' but on the 2nd May, 1923, after a new and extremely acrimonious correspondence had been started on the subject of sentences passed by the Soviet Government upon certain dignatories of the Roman Catholic Church,[2] Lord Curzon transmitted to Moscow a memorandum setting forth the complaints of the British Government under various heads, and presenting certain demands, with

[1] See *Survey, 1920–3*, p. 370.
[2] See Sections (iv) and (vi) below.

a covering note announcing that, unless the Soviet Government would undertake to comply with these demands within ten days, His Majesty's Government would consider the trade agreement of the 16th March, 1921, terminated in accordance with the provisions of the third paragraph of Article 13.[1] The memorandum alluded to the maintenance by the Third International of Schools of Oriental Propaganda at Tashkend and elsewhere, and made specific and detailed accusations against a number of Soviet Government officials, including M. Karakhan, at that time Assistant Kommissar for Foreign Affairs; M. Sokolnikov, the Kommissar for Finance; and MM. Sumiatsky and Raskolnikov, who represented the Government of the U.S.S.R. at Tehran and Kabul respectively. It asked that such acts should be 'repudiated and apologized for' and that the officials responsible should be 'disowned and recalled from the scene of their maleficent labours'.

The Soviet Government received this communication on the 8th May and replied on the 13th.[2] Opening with an offensive-defensive, they ascribed the present trouble to the 'unsatisfactory basis of agreement chosen by Great Britain herself' and to the avoidance by the British Government of 'practical discussion of the whole of the complex questions in dispute': accused that Government of having disregarded Soviet interests in the settlement of a number of international questions—for example, those of the Straits, Eastern Galicia, Memel, and Bessarabia; and declared that they possessed information 'pointing to intense activity of agents of the British Government' against the U.S.S.R. in the East, which was no worse attested than the accusations brought against Russian agents by Lord Curzon. This said, the Soviet Government made a virtue of silence and refrained both from answering the British accusations and from formulating the counter-charges which it intimated that it could bring against Great Britain if it chose. After denying identity with the Third International, referring to the correspondence of 1921, and stating that the British Government had 'left unanswered an offer made by the Russian Government in its note of the 27th September, 1921, for friendly discussion of ways and means which might lead to the removal of such misunderstandings', the note concluded with an assurance that the Soviet Republics highly valued their present relations with Great Britain, a declara-

[1] This memorandum, the covering note of the 2nd May, 1923, and the correspondence out of which they arose, were published in the British White Paper, *Cmd.* 1869 of 1923.

[2] For the text of this reply see the British White Paper, *Cmd.* 1874 of 1923.

tion that there was no justification for breaking off relations, and a proposal for a conference to 'regularize Anglo-Soviet relations in their full extent'.

Upon receiving this note, the British Government extended its original time limit, and on the 23rd May a further Soviet communication [1] was received containing offers for meeting the British demands,[2] and, on the question of propaganda, simply renewing the proposal for a conference. This proposal was declined in the British reply of the 29th May, with the observation that 'on this point the Russian note gives no satisfaction whatever'. At the same time the British Government withdrew its demand for the recall of MM. Šumiatsky and Raskolnikov and an apology for their misdeeds, requesting instead

> an assurance that these officials will within a reasonable space of time be transferred to some other areas where their duties will not bring them into contact with British interests—an assurance for which precedent can be found without difficulty in the relations of friendly Powers.

With regard to the future the following 'Formula respecting Propaganda for the Signature of the Soviet Government' was enclosed:

> The Soviet Government, acting on behalf of itself and of all associated and federated Governments, reiterates the pledges contained in the Russian Trade Agreement of the 16th March, 1921, which were as follows: To refrain from hostile action or undertakings against Great Britain and from conducting outside of its borders any official propaganda direct or indirect against the institutions of the British Empire, and more particularly to refrain from any attempt by military or diplomatic or any other form of action or propaganda to encourage any of the peoples of Asia in any form of hostile action against British interests or the British Empire, especially in India and in the Independent State of Afghanistan.
>
> The British Government gives a similar undertaking to the Soviet Government to refrain from any similar acts of propaganda in respect both of the territories and institutions of the Soviet Republic and of the countries which formed part of the former Russian Empire and which have now become independent.
>
> Further, in view of complaints which have been made, the Soviet Government undertakes not to support with funds or in any other form persons or bodies or agencies or institutions whose aim is to spread discontent or to foment rebellion in any part of the British Empire,

[1] For the texts of this memorandum and of the ensuing documents see the British White Paper, *Cmd.* 1890 of 1923.

[2] These offers, and the remaining history of the negotiations apart from the question of propaganda, are dealt with in Section (iv) below.

> including therein all British protectorates, British-protected States and territories subject to a British mandate, and to impress upon its officers and officials the full and continuous observance of these conditions.
>
> The British Government gives a similar undertaking to the Soviet Government with regard to all parts of the Russian dominions.

In a communication received by the British Government on the 11th June the Soviet Government accepted this formula, on condition that the nature of the reciprocity which was provided for in the last paragraph should be more clearly defined. It also concurred

> that the [Trade] Agreement would lose all its importance if the representatives of the contracting parties should violate it in practice by their acts,

but it rejected, as

> one-sided and thus unacceptable, the demand for the recall of responsible representatives of the Soviet Government because, without any attempt at joint verification of the facts and evidence, they are found guilty in the judgement of the British Government of having infringed clauses of the Russo-British Trade Agreement, which now—again in the opinion of the British Government itself—require new and more exact drafting ;

and it invited the British Government

> to admit that such an exceptional measure, even in the moderated formula of the last memorandum, could be decided upon only as the result of a joint examination of one-sided or mutual accusations.

In a communication dated the 13th June, 1923, in which the other questions at issue [1] were disposed of for the time being, the British Government agreed to the addition of the following words to the formula :

> and in particular undertakes, on its own behalf and on behalf of the Governments of the British dominions, colonies, protectorates and mandated territories, not to assist any hostile designs against the Soviet Government or the republics associated with it which may be entertained by Russians who have emigrated from Russia.

With regard to the representatives of the Soviet Government at Kabul and Tehran, the British Government took note ' that, in accordance with the normal arrangements governing the movements of members of the Russian diplomatic service, the transfer to another post of M. Raskolnikov ' had ' already been decided on ', and that ' the obstacle which his continued presence in Kabul

[1] See Section (iv) below.

presented to friendly intercourse ' would ' thus be removed '. If it was ' contemplated to leave M. Šumiatsky at Tehran for any further period ', His Majesty's Government now assumed that the Soviet Government would ' take very special steps to secure that he complies fully and consistently with the letter and the spirit of that undertaking ' which either party had just given to the other.

Here the matter rested until fresh negotiations [1] were opened up, after the accession to office of a Labour Government in Great Britain, in a British note [2] of the 1st February, 1924, which accorded to the Soviet Government *de jure* recognition. This note declared it to be

> manifest that genuinely friendly relations cannot be said to be completely established so long as either party has reason to suspect the other of carrying on propaganda against its interests and directed to the overthrow of its institutions,

and this view was endorsed by the Soviet Government in the corresponding paragraph of its reply. The subject was referred to again by Mr. MacDonald and M. Rakovski in the speeches with which they opened the Anglo-Russian Conference in London [3] on the 14th April. Mr. MacDonald called for ' frank discussion on what has been alluded to in previous correspondence between the two Governments as " propaganda " or " hostile activities " ', and M. Rakovski, in his reply, made the following statement :

> We have renounced the policy of conquest of the former Czarist Government, and we have annulled the old Czarist treaties providing for the partition of Oriental States into spheres of influence. The Soviet Government has no intention of reverting to that policy. It is absolutely excluded by the Socialist constitution of our State, which is based on the absolute equality of nations and the recognition of their right of self-determination.
>
> Other reasons, too, make the return to the old policy an impossibility. The War has awakened national consciousness in the peoples of the East, and any attempt on our part to obstruct that legitimate consciousness would not only be a crime against our own interests but also a piece of folly, seeing that in the long run such a policy must inevitably fail.
>
> In consequence, so far as the British and Soviet Governments adopt as a starting-point the principle of respecting the independence and sovereignty of the Oriental States, we shall be free from difficulty in

[1] See Section (iv) below.
[2] The texts of the note and of the reply from the Soviet Government are reprinted in the Appendix to the present volume.
[3] See Section (iv) below.

settling all questions pertaining to the interests of Great Britain and the Soviet Union in the East.[1]

The draft general treaty,[2] in which the work of the conference resulted, contained a mutual pledge to abstain from propaganda in an article[3] so drawn as to cover all fields, in the East or elsewhere, and also to inhibit the U.S.S.R. from placing its resources at the disposal of the Third International for carrying on those activities which it had undertaken not to carry on itself. The draft treaty, however, was abortive, and therefore, at the close of the year 1924, the diplomatic situation in regard to Oriental propaganda as between Great Britain and the U.S.S.R. was still governed by the formula set out in the British Government's memoranda of the 29th May and the 13th June, 1923.

Meanwhile it appeared, from such information as reached the outer world during 1924, that the organizations for Oriental propaganda in Soviet territory were still at work. On the 21st April, for example, when 'The Communist University for the Toilers of the Orient' in Moscow celebrated the third anniversary of its foundation, inflammatory speeches were delivered not only by Karl Radek, one of the zealots of the Third International, but by such prominent members of the Soviet Government as M. Enukidze, the Secretary of the Presidium of the U.S.S.R., and Trotski himself.[4] The latter was reported to have discussed the bearings of the 'University's' Oriental work upon 'the struggle in Britain, where slowly, more slowly than many of us wish, but irresistibly, the Communist mole is burrowing under MacDonald's stronghold';[5] and this suggestion that the British *Bourgeoisie* might be overthrown by 'side-shows' in the East more easily than by pitched battles on the home-front was elaborated at the Moscow Congress of the Third International (17th June–8th July, 1924) by M. Manuilski.[6] As for the Propaganda School at Tashkend, there was a report that it had been closed at the beginning of June, after the final examination of the senior students, but that the teaching staff had been transferred to Krasnovodsk, where the junior students were to present themselves in the autumn and the work was to be carried on under cover of 'The

[1] Quoted from *The Manchester Guardian*, 15th April, 1924.
[2] See Section (iv) below.
[3] Article 18 of the draft as it stood on the 5th August, 1924; Article 16 in the later draft (published in *Cmd.* 2215 of 1924).
[4] See *The Times*, 26th April, 1924.
[5] Quoted *ibid.*, 6th May, 1924.
[6] See the quotations from his speech *ibid.*, 7th July, 1924.

Caspian Department of the Russian Association for Oriental Studies '.[1]

Both Krasnovodsk and Tashkend, which had hitherto belonged to the Autonomous Republic of Turkestan (set up within the bosom of the R.S.F.S.R. on the 11th April, 1921), were transferred to new units in an administrative reorganization of the Central Asian territories of the U.S.S.R. which was carried out in September 1924.[2] Before the Revolution of 1917 the two Khanates of Khiva (Khwarizm) and Bukhara had been ' Native States ' in treaty relations with the Russian Empire ; and at first the Bolsheviks had been content to transform these Khanates into ' People's Soviet Republics' without altering either their status in regard to Russia or their boundaries. These boundaries, however, which had been drawn arbitrarily at the time when the Khanates had been conquered by the Russian Empire (1863–73),[3] did not in the least correspond to the local distribution of nationalities, and the Soviet Government now applied to Central Asia the policy, which it had already carried out in the rest of its territories, of devolution on national lines. The territory of the two Khanates was swallowed up, and the territory of the R.S.F.S.R. diminished, by the creation of a Turkmen and an Uzbeg Republic, which took their places as members of the U.S.S.R. on the same footing as the Transcaucasian, Ukrainian and White Russian Republics and as the R.S.F.S.R. itself. Within the (Turkish) Uzbeg Republic, the (Iranian) Tajiks were given an Autonomous Republic of their own. The rest of the territories formerly belonging to Khiva, Bukhara and Turkestan were retained by the R.S.F.S.R., some of them being assigned to the existing Kirghiz Autonomous Republic, and the rest to the new Autonomous Provinces of the Kara-Kirghiz and the Kara-Kalpaks. On this occasion there was published in Moscow, in the official *Izvestia*, a manifesto,[4] couched in the form of an appeal by the Executive Committee of one of these new republics, in which the reorganization was described as ' a new link in the chain of the achievements of the U.S.S.R.' and the independent peoples of the Middle East were invited to ' enter the army of universal revolution created by the October Revolution [of 1917] '.

In the Middle East the Moscow propagandists possessed the

[1] See *loc. cit.* [2] See *Current History*, January 1925.

[3] The Turkmen tribes between the Persian and Afghan frontiers and the left bank of the Oxus were not conquered till 1873–86.

[4] Printed in the *Izvestia* of the 8th September, 1924. See also *The Times*, 22nd September, 1924.

advantage of proximity ; but in their efforts to foment the war of cultures and races, as well as the war of classes, against the existing order of Western society they extended their operations to the most distant fields. At its Fourth Congress, held in Moscow in 1922, the Third International seems to have taken up the Negro Question.[1] Relations were apparently established with Negro organizations in the United States (which was at that time the headquarters of most movements, subversive or constructive, in the Negro World) ; and through the African branches of these organizations the Communist propaganda was to be introduced into the Continent which was most remote from its fountain-head.

(iii) The Recognition of the U.S.S.R. by Italy.

In her relations with the U.S.S.R., Italy had at first followed the lead of Great Britain. After the signature of the Anglo-Russian Trade Agreement of the 16th March, 1921, Italy started negotiations which resulted in the conclusion, on the 29th December, 1921, of two provisional trade agreements, on the Anglo-Russian lines, with the Russian and Ukrainian Soviet Republics respectively. After the Genoa Conference of the 10th April–19th May, 1922,[2] the Italian Government sought to replace this preliminary agreement by a definitive treaty, but their new proposals were not acceptable to the Soviet Government. As time passed, however, the Soviet Government became increasingly anxious to secure general *de jure* recognition, and it therefore intimated that it would be prepared to negotiate a commercial treaty on specially favourable terms with the first Power to take this friendly step. In the case of almost all the Principal Allied and Associated Powers, a very serious initial obstacle was presented by the vast claims both of the Governments and of their respective nationals against the Soviet Government in respect of unpaid debts and confiscated property. In any definitive settlement, these claims would have to be dealt with, and, while there was no prospect of the Soviet Government going far towards satisfying them, the United States and France were quite unwilling to compromise, and Great Britain, though not intransigent, was also not willing simply to write off her claims as a bad debt. The only Great Power in the Entente group whose claims against the U.S.S.R. were not so great as to weigh in the balance against the

[1] See *The Times*, 13th December, 1924.
[2] See *Survey, 1920–3*, pp. 25–33.

possible advantages of being the first to respond to the Soviet Government's gesture was Italy. In these circumstances, Signor Mussolini announced in the Italian Parliament on the 30th November, 1923, that if a new Russo-Italian trade agreement were signed, the signature would carry with it *de jure* recognition of the U.S.S.R. by Italy.

Negotiations were started immediately. Early in January 1924 the Russian delegates, MM. Jordanski and Janson, arrived in Rome ; and on the 12th the Italian desiderata were formulated.[1] Certain of them conflicted with the fundamental principles of the Soviet régime, and this threatened to block the negotiations, but the personal intervention of Signor Mussolini in a secret session of the conference on the 31st January resulted in agreement on the text of a treaty. At this meeting Signor Mussolini apparently stated that he now regarded the question of *de jure* recognition as settled,[2] and proposed that the signature of the treaty and formal act of recognition should take place simultaneously on the 3rd February.[3]

Signor Mussolini was evidently unaware that delay might deprive Italy of the advantage of being first in the field ; for the Italian Ambassador in London appears to have given his Government the erroneous impression that the new British Labour Ministry, while intending to recognize the U.S.S.R., proposed to act in concert with Italy in the matter.[4] The announcement that Mr. Ramsay MacDonald had telegraphed unconditional *de jure* recognition of the U.S.S.R. on the 1st February [5] was therefore a painful surprise to the Italian Government ; and its uneasiness was increased on the 3rd, when, at the last moment, M. Jordanski announced that he had received telegraphic instructions not to sign the treaty until the printed text had been submitted to Moscow.[6] The reason officially given was the accession of new Kommissars to office in Moscow in consequence of the death of Lenin ; but in Italy it was feared that the Soviet Government intended to take advantage of the great improvement effected in its diplomatic position by the sudden and

[1] The *Corriere della Sera*, 13th January, 1924.
[2] *The Times*, 8th February, 1924.
[3] The *Corriere della Sera* and *The Times*, 5th February, 1924.
[4] *The Times*, 7th and 9th February, 1924. The British Government seems to have requested information as to the character of the future diplomatic representation of Italy in Moscow, and the Italian Ambassador to have misinterpreted this as a suggestion for joint diplomatic action in the matter of recognizing the U.S.S.R.
[5] See Section (iv) below.
[6] The *Corriere della Sera* and *The Times*, 5th February, 1924.

unconditional British recognition in order to deprive Italy of the benefits to which she was still morally, if not technically, entitled. From Russian sources, however, it was alleged[1] that, on the 31st January, Signor Mussolini had proposed not the 3rd but the 10th February as the date of signature, with the express object of giving time for the text to be referred to Moscow, so that M. Jordanski was not receding from any previous understanding in refusing to sign on the 3rd. Whether or not this version of the facts was correct, the resentment which the *contretemps* aroused in Italy for a few days was directed, perhaps somewhat unfairly, not so much against Russia as against Great Britain.[2]

Meanwhile, after a further interview between Signor Mussolini and M. Jordanski on the 6th February,[3] the treaty was actually signed and a formal note according *de jure* recognition dispatched by Signor Mussolini to Moscow on the 7th.[4] On the same date, also, there was signed a final protocol to the treaty, containing reservations and declarations in respect of nine out of the thirty-four articles agreed on the 31st January. Nevertheless, the Soviet Government, when the treaty and protocol were submitted to it for ratification, raised further objections to Article 14, which, as it stood, apparently threatened to break down, in favour of Italian private traders, the Government monopoly in Russian foreign trade.[5] After the suppression of one paragraph in Article 14,[6] however, the ratifications of the treaty, the protocol, and a customs convention signed on the same date, were eventually exchanged on the 7th March.[7] On the 12th March the Soviet Ambassador, M. Jurenev, arrived in Rome.[8] The Italian Ambassador, Count Manzoni, had already presented his credentials on the 25th February.[9]

It remains to review briefly the principal features of the treaty in the form in which it was finally ratified.[10]

[1] See *Le Temps*, 26th February, 1924. [2] *The Times*, 7th February, 1924.
[3] The *Corriere della Sera*, 7th February, 1924.
[4] English translations of this note, and of the Soviet Government's reply of the 13th February, are printed in *Russian Information and Review*, 23rd February, 1924. For the Italian text of Signor Mussolini's note see the *Corriere della Sera*, 9th February, 1924.
[5] *Le Temps*, 26th February; the *Corriere della Sera*, 29th February, 1924.
[6] The *Corriere della Sera*, 2nd March, 1924.
[7] *The Times*, 8th March, 1924.
[8] The *Corriere della Sera*, 13th March, 1924.
[9] *Ibid.*, 26th February, 1924.
[10] Official French texts of the Treaty of Commerce and Navigation and of the Customs Convention were printed in Rome by the Printing Press of the Chamber of Deputies (1924). An English translation of the text of both treaties was published in the *Board of Trade Journal* of the 3rd April, 1924 (Vol. cxii, No. 1,427).

Normal diplomatic and consular relations between the two countries were established, the 'power' (*pouvoir*) of each state being recognized as the sole legal and sovereign power in that country (Art. 1). Existing claims of the two Governments and their nationals against one another were reserved without prejudice—on the understanding that they should be treated no less favourably than the claims of a third state and its nationals (Art. 2). In view of the Soviet Government's monopoly of foreign trade, the Commercial Representation of the Union was to be afforded the possibility of exercising its functions in Italian territory; the Soviet Commercial Representative and his staff (up to a number to be fixed later by agreement) were to 'form an integral part of the plenipotentiary representation', and to enjoy diplomatic privileges and immunities; and goods which were the object of the Commercial Representative's negotiations were not to be 'subject to judicial measures of a preventive character', since the Soviet Government assumed responsibility for such negotiations (Art. 3).

Articles 4 to 10 dealt with the rights of property, taxation, &c. The most striking point about these articles was that they followed the common form and their terms were reciprocal. There was nothing to show that the U.S.S.R. had not the same laws of private property as other countries.

In the final text the first paragraph of the contentious Article 14 ran as follows:

> So long as they respect the principles established in Article 4 of the present treaty the merchants, manufacturers and other producers of either country, as well as their commercial travellers, will have the right, upon presentation of a permit delivered by the authorities of their own country, and so long as they comply with the formalities prescribed in the territory of the other country, to make in the latter country purchases for their commerce, their manufacture, or any other enterprise, from merchants or producers of these goods or at their places of sale, and also the right to seek for orders from persons or commercial houses that proceed to a re-sale or that make a professional or industrial use of the goods offered, without being subjected to any duty or tax on this account. They will be allowed to have with them samples or models but not goods.

In an addendum to this article, the Soviet Government made the enjoyment of the above rights by Italian men of business subject to their securing registration from the competent authorities of the U.S.S.R.

Goods and persons belonging to one party in transit across the territory of the other party were to receive 'most favoured nation'

treatment in all respects, and were to be reciprocally free from transit duties; in respect of transportation within the territory of the other party they were to receive national treatment (Arts. 16 and 17). There was a general 'most favoured nation' treatment clause (Art. 19), which was, however, to be inapplicable, on the Italian side, to preferential advantages to Italy's colonies, protectorates or possessions, and, on the side of the Union, to special dispositions, relative to commerce, in treaties with states whose territory, on the 1st August, 1914, had constituted an integral part of the former Russian Empire, and also in treaties with the continental Asiatic states immediately adjoining the Union. This second exception on the Russian side was significant.

Articles 20 to 32 inclusive were concerned with shipping. The ships of either party, with their cargoes, in the ports of the other party were to receive not only 'most favoured nation' treatment but national treatment (Art. 20). The rights of performing port services, of fishing in territorial waters,[1] and of internal navigation were reserved for the national flag in either case (Art. 32). A similar reservation was made in regard to the coasting trade, but with an important exception: Italian ships might carry cargoes not only from one Russian port to another on a different sea, but also (for the first two years during which the treaty was in force) between the Black Sea ports of Odessa, Novorossisk, Poti, Batum, and Rostov, a corresponding right being granted to Russian ships in respect of the Italian ports of Trieste, Genoa, Naples, Leghorn, and Catania (Art. 25). In practice this conferred on Italian shipping an unusual and valuable privilege in the Black Sea. Under Article 26, Italian shippers might also deposit goods for six months, free of duty, in Russian customs warehouses on the Black Sea and the Sea of Azov, while Russian shippers were to profit by the free depots in the principal Italian ports. A special convention assuring to Russian goods the use of the deposit warehouses at Trieste was to be concluded later.

The treaty entered into force fifteen days after the date of ratification, and was to remain valid for three years, 'except for the political clauses', which were, of course, to hold good in perpetuity (Art. 33).

In the first half year for which it was in force, the treaty did not

[1] Italy was not to benefit by any privileges in regard to fishing which the Soviet Government might grant to other countries situated on the Arctic Ocean or the White Sea.

produce any striking development of Russo-Italian trade, the only marked increase being in the activities of Italian shipping in the Black Sea, which benefited perceptibly by Article 25.[1]

(iv) The Anglo-Russian Negotiations.

The Anglo-Russian Trade Agreement of the 16th March, 1921,[2] had not carried with it *de jure* recognition of the U.S.S.R.; but it had been described in its preamble as a preliminary agreement pending the conclusion of a formal general peace treaty for the future regulation of economic and political relations, and one of the most important outstanding issues was expressly left over to be regulated in this prospective treaty by the following 'Declaration of Recognition of Claims' which was signed simultaneously with the trade agreement itself.

> At the moment of signature of the preceding Trade Agreement both parties declare that all claims of either party or of its nationals against the other party in respect of property or rights or in respect of obligations incurred by the existing or former Governments of either country shall be equitably dealt with in the formal general Peace Treaty referred to in the Preamble.
>
> In the meantime, and without prejudice to the generality of the above stipulation, the Russian Soviet Government declares that it recognizes in principle that it is liable to pay compensation to private persons who have supplied goods or services to Russia for which they have not been paid. The detailed mode of discharging this liability shall be regulated by the Treaty referred to in the Preamble.
>
> The British Government hereby makes a corresponding declaration.
>
> It is clearly understood that the above declarations in no way imply that the claims referred to therein will have preferential treatment in the aforesaid Treaty as compared with any other classes of claims which are to be dealt with in that Treaty.

The Soviet Government, which considered (no doubt correctly) that British recognition would greatly strengthen its international position, was anxious to open negotiations for the general treaty at the earliest possible date.

In correspondence with the British Government[3] it complained that, even within the bounds of the trade agreement, Great Britain had 'established such a form of relationship as has made difficult and in many cases impossible a satisfactory settlement of conflicts

[1] *The Times*, 29th October, 1924.

[2] For the history of this agreement and its disappointing commercial results see *H. P. C.*, vol. vi, pp. 324–6.

[3] Soviet Government's note of the 13th May, 1923 (*Cmd.* 1874 of 1923).

arising from time to time ' ; and more than once [1] it made proposals for a conference, which were, however, declined by the British Government.[2] It was only after the accession to office of a Labour Ministry in Great Britain on the 22nd January, 1924, that negotiations for a definitive settlement were begun, this time on British initiative.

In the meantime a British note of the 30th March, 1923, protesting against the condemnation to death of a Roman Catholic dignatory, Mgr. Butkević,[3] and the two notes which this protest elicited, on the 31st March and the 4th April, from M. Weinstein, representing the Kommissariat for Foreign Affairs of the R.S.F.S.R.,[4] had precipitated a controversy between the two Governments. In a memorandum of the 2nd May, 1923,[5] Lord Curzon demanded satisfaction on four points : the undiplomatic style of M. Weinstein's communications ; the treatment of British trawlers off the Murman coast outside the three-mile limit ; the outrages committed against two British subjects, Mr. C. F. Davison and Mrs. Stan Harding ; [6] and the continuance of anti-British propaganda by Soviet agents in the East, contrary to the terms of the trade agreement. The question of Oriental propaganda has been dealt with already.[7] In regard to the other points, Lord Curzon demanded the unequivocal withdrawal of the two communications signed by M. Weinstein and the admission of liability by the Soviet Government, with an undertaking to pay compensation, in the case of the British subjects and the British ships aforementioned. In a covering note to this memorandum the British representative in Moscow, Mr. Hodgson, was informed that unless the Soviet Government undertook to comply within ten days with the requests contained in it, His Majesty's Government would consider the trade agreement to be terminated, in accordance with Article 13. If he received no reply within ten days, Mr. Hodgson was to leave the country. In the sequel [8] the time limit was extended

[1] e. g. in a note of the 13th May, 1923 (*Cmd.* 1874 of 1923) and again in a memorandum communicated on the 23rd May, 1923 (*Cmd.* 1890 of 1923).

[2] Memorandum communicated on the 29th May, 1923 (*Cmd.* 1890).

[3] See Section (vi), p. 260 below.

[4] For texts of all these documents see the British White Paper, *Cmd.* 1869 of 1923.

[5] Text in *Cmd.* 1869.

[6] The trade agreement had merely stipulated for the mutual release of British subjects in Russia and of Russian subjects in the British Empire, leaving the question of claims for future settlement. For previous correspondence on the cases of Mr. Davison and Mrs. Stan Harding see *Cmd.* 1846 of 1923 and *Cmd.* 1602 of 1922 respectively.

[7] See Section (ii) (*g*) above.

[8] The texts of the subsequent correspondence are printed in *Cmd.* 1874 and *Cmd.* 1890 of 1923.

and satisfaction on all three points was given by the Soviet Government. The two letters were formally withdrawn; in the cases of Mr. Davison and Mrs. Stan Harding, the sums fixed by the British Government as compensation were paid;[1] compensation was also paid for the treatment of the British trawlers, and it was recorded by exchange of notes that, pending the conclusion of an international agreement, the Soviet Government would instruct its maritime authorities not to impede the operations of British fishermen outside the three-mile limit. The Soviet Government had proposed to embody this last arrangement in a convention, but the British Government objected to this more formal procedure, and thus, when Mr. MacDonald took office, a definitive settlement of the question of fishing rights had still to be made. There was also outstanding the question of compensation for injury to British subjects other than Mr. Davison and Mrs. Stan Harding—a question which Lord Curzon had raised in his memorandum of the 2nd May without insisting upon an immediate settlement. The most important issue, however, was the general question of the claims and counter-claims of either Government and its nationals, the settlement of which had been postponed by the declaration attached to the trade agreement.

Negotiations for the conclusion of the definitive treaty, there foreshadowed, were opened by Mr. MacDonald in a note[2] dispatched on the 1st February, 1924, to the British representative in Moscow, for presentation to the Soviet Government. In this document the British Government made a new departure by recognizing the U.S.S.R. unconditionally as 'the *de jure* rulers of those territories of the old Russian Empire which acknowledge their authority', and invited the Soviet Government to send delegates to a conference in London 'to draw up the preliminary basis of a complete treaty to settle all questions outstanding between the two countries'. The three questions of regularizing the status of existing treaties, of settling mutual claims and restoring Russian credit in Great Britain, and of propaganda, were specifically mentioned. This British note was immediately reported by M. Litvinov, the Assistant Kommissar for Foreign Affairs, to the Congress of Soviets of the U.S.S.R., which was holding its second session, and the Congress passed a cordial

[1] In making this payment the Soviet Government reserved recognition of there having been any irregularity in the 'repressive measures' taken against these 'spies' (Mr. Davison had been killed and Mrs. Stan Harding imprisoned), and pointed out that both incidents had occurred before the conclusion of the trade agreement.

[2] Text reprinted in the Appendix to the present volume from *The Times* of the 2nd February, 1924.

resolution in response.[1] On the 8th February, M. Rakovski (the Soviet Trade Representative in London, who now, like Mr. Hodgson in Moscow, became a *chargé d'affaires*) presented to the British Government a note [2] in which the Soviet Government took cognizance of the fact that Great Britain had recognized the U.S.S.R.—'whose authority extends throughout all the territories of the former Russian Empire, with the exception of those which have been severed with the consent of the Soviet Government, and in which independent states have been constituted'—and accepted the invitation to a conference to discuss the questions mentioned by the British Government.

On the same date there was published a resolution [3] by the Executive Committee of the Association of British Creditors in Russia, calling for 'a fair and just settlement of all British claims for property confiscated or loans repudiated by the Soviet Government on the basis of restitution and/or effective compensation'; and on the 21st this was followed by the publication of a letter [4] to Mr. MacDonald from the Federation of British Industries, demanding, subject to a moratorium, the unqualified recognition by the Soviet Government of its obligation to discharge its debts in full. Meanwhile, in the Moscow *Izvestia*, M. Krassin had already ventilated the idea that the first step towards the restoration of commercial relations should be a British loan.[5] Thus the main issues had been defined before it was formally announced in London, on the 22nd February, that the conference was to take place.[6] On the 23rd, M. Rakovski left London to consult his principals in Moscow; [7] and, while there, he more than once publicly expressed the hope of settling the debt question and also of obtaining a large loan (the figures mentioned at this stage ranging from £150,000,000 to £300,000,000 !).[8] A loan was also mentioned again by M. Krassin—this time as the condition on which the Soviet Government was prepared to recognize individual claims—but he added that the Soviet Government would refuse to recognize in principle any reversal of the nationalization decree.[9]

On the 14th April the conference opened in London. The opening

[1] Text in *The Times*, 4th February, 1924.
[2] Text reprinted in the Appendix from *ibid.*, 9th February, 1924.
[3] Text in *loc. cit.*
[4] *The Times*, 21st February, 1924.
[5] The *Corriere della Sera*, 11th February, 1924.
[6] *The Times*, 22nd February, 1924.
[7] *Le Temps*, 23rd February, 1924.
[8] *The Times*, 1st March; *The Daily Express*, 5th March, 1924.
[9] *The Times*, 28th March, 1924.

was marked by two important speeches by MM. MacDonald and Rakovski,[1] and also by the publication of a memorandum addressed to the British Prime Minister by a number of leading British bankers.[2]

Mr. MacDonald declared that, if *de jure* recognition was to mean anything, ' it must be followed by efforts on both sides to deal in a practical manner with the actual facts of the situation ' ; and he divided the tasks before the conference into three heads : first, the consideration of inter-Governmental obligations, the claims of British holders of Russian bonds, and those of British subjects who had suffered in person or property through the Russian Revolution ; second, a review of existing Anglo-Russian treaties ; and, third, the substitution of a commercial treaty for the existing trade agreement. He added that a feeling of mutual security was essential ; that there must be a very frank discussion of ' propaganda ' which must result in more than formal undertakings ; and that they must begin with a ' clean slate '.

M. Rakovski declared that, despite the complexity of the questions on the agenda, he saw ' no insurmountable obstacle ' in the way of a complete understanding, and then launched out into general topics such as Anglo-Russian rivalry in Asia, the limitation of armaments, the attitude of the U.S.S.R. towards the League of Nations, the revision of the peace treaties, and a plebiscite in Bessarabia. He ended by emphatically associating himself with Mr. MacDonald in favour of the principle of mutual non-intervention in internal affairs.

The bankers referred to the passage in Mr. MacDonald's note of the 1st February in which he mentioned, among the tasks before the proposed conference, ' the determination of means for the restoration of Russia's credit in Great Britain ', and laid it down that the ' means ' were the following :

(1) That a recognition of debts, public and private, should be agreed upon, acceptable to both countries.

(2) That an equitable arrangement for restitution of private property to foreigners should be made.

(3) That a proper Civil Code should be brought into effective operation, independent courts of law created, and the sanctity of private contract again firmly established.

(4) That the Russian Government should definitely guarantee that in future private property shall in all circumstances be free from danger of confiscation by the State.

(5) That bankers, industrialists, and traders in this country should

[1] Texts in *The Times* and *The Manchester Guardian*, 15th April, 1924.
[2] Text in *The Times*, 14th April, 1924.

be able to deal freely, without interference by Government authorities, with similar private institutions in Russia controlled by men of whom they have personal knowledge, and in whose character, word, and resources they have confidence.

(6) That the Russian Government should abandon their propaganda against the institutions of other countries, and particularly against all those from whom they propose to request financial assistance.

They added that, even under these conditions, the flow of credit would only recommence gradually; that large amounts of capital would not at once be available, even given a settlement; and that investors, 'having the whole world to choose from, would naturally invest their money in those countries where conditions for capital appeared to be the safest'. This memorandum was much abused in the Soviet official Press,[1] and the bankers' unpopularity was shared by Mr. MacDonald, whose speech was contrasted, greatly to its disadvantage, with that of M. Rakovski. On the 24th April the All-Russian Council of Trade Unions issued a protest against the memorandum in Moscow;[2] and on the same day M. Rakovski, in a statement to the Press in London,[3] declared: 'The memorandum demands a change of our code. Our answer to such an attempt is a categorical "Never".'[4] He also stated that a loan was 'the only way to solve the question of pre-war debts'; and that the Soviet Government would 'not restore property to former owners', though the latter might have leased to them 'on a concessionary basis enterprises which formerly had been their own'. At the same time he insisted that 'the reported view that the Soviet Government was not in favour of attracting foreign capital was absolutely false'. The tone of M. Rakovski's statement was courteous, if uncompromising; but in Moscow both the official Press and the official Government representatives treated the conference from the outset, not as a friendly attempt to reach an understanding, but as a form of warfare against the British *Bourgeoisie*, whose servants the Labour Government were declared to be.[5] This unpropitious atmosphere

[1] *The Times*, 21st April, 1924.

[2] *Le Temps*, 25th April; *The Times*, 26th April, 1924.

[3] Text in *The Manchester Guardian* and *The Times*, 26th April, 1924. A group of British Labour Members of Parliament had issued a reply to the Bankers' Memorandum on the date of its publication (*The Times*, 15th April, 1924).

[4] No doubt M. Rakovski forgot that this last phrase had been employed in 1918, a few months before the Armistice, by Herr von Kuhlmann, at that time German Minister for Foreign Affairs, with reference to the Allies' demand that Germany should renounce Alsace-Lorraine.

[5] See, for example, *The Times*, 21st and 30th April, 1924.

in Moscow must be remembered in considering the subsequent course of the conference.

By the 24th April the conference in London had organized itself into four committees, the constitution of which was described subsequently (on the 30th June) by Mr. MacDonald in answer to a parliamentary question. The First Committee was divided into two sub-committees : (*a*) for (i) the determination of the means for the restoration of Russian credit in Great Britain, and (ii) business and other civil claims (bonds and nationalized properties) ; (*b*) for (i) inter-Governmental debts, war debts, and intervention claims, and (ii) personal injury claims. The Second Committee was commissioned to draft a treaty of commerce and navigation ; the Third was charged with the question of territorial waters and the Fourth with the revision of treaties and the question of arbitration. The last three committees thus had to deal with questions, more or less technical, which were familiar objects of diplomatic negotiation, whereas the First Committee was concerned with questions on which there was not only the widest divergence of view between the parties, but an almost complete absence of precedents. The First Committee and its sub-committees therefore ceased to meet after the 6th May, and thenceforward their agenda were handled directly by the Plenary Conference. It may also be mentioned that, in an exchange of correspondence on the 6th–7th May, MM. Rakovski and MacDonald confirmed a mutual undertaking, already given by the two delegations, to publish only such information regarding the work of the conference as might be compiled in concert.[1]

On the 15th May the Plenary Conference [2] adopted the report of the Treaty Committee, which had examined all treaties contracted between Great Britain and Russia and had classed them, for different treatment, in several categories.[3] In the other committees, however, no corresponding advance had been made, and at this sitting the British delegation proposed, in regard to claims relating to industrial properties and concessions, that the Soviet Government should undertake to give fair compensation and should negotiate directly with the parties, with a reference to arbitration in cases not settled within an agreed period.[4] At a further plenary

[1] *The Times*, 10th May, 1924.
[2] *Ibid.*, 16th May, 1924.
[3] See Ch. II—Treaties (Arts. 2–4) of the General Treaty subsequently signed on the 8th August (*Cmd.* 2215 of 1924).
[4] Text of the proposal in *The Times*, 16th May, 1924.

session on the 20th May the Soviet delegation made a counter-proposal on this subject. They

> stated that their Government would agree, if they could get, with the assistance of the British Government, a long-term loan, to set aside a lump sum to cover the pre-war debts of Russia to British subjects. Claims in this connexion would be considered only in the case of those who had held Russian bonds before March 12, 1917. Nor would the claims be admitted of those who had subsequently taken an active part against the Soviet Government. It would be the policy of the Soviet Government to give smaller claims priority. The greater part of the loan would be spent in Great Britain for the purchase of machinery and other goods needed for the restoration of Russian industry and agriculture.

While reserving their reply to this in other respects, the British delegation at once stated categorically, twice over, that any Government guarantee for a British loan was out of the question.[1] At the same session the Soviet delegation also declared that ' their Government was not prepared to repay the pre-war debt at its full pre-war value '.

At the next plenary session, on the 27th May,[2] the British delegation declared this last statement unacceptable and promised to make an alternative suggestion later, merely proposing, for the time being, to keep the question of pre-war debts (which, in the Soviet delegation's scheme, was bound up with that of a loan) distinct from the question of other claims. The Soviet delegation then raised the two issues of money claims and claims concerning nationalized property. In regard to the former, they put forward the following proposal :

> Both Governments shall determine a lump sum for the settlement of approved and well-founded small claims and fix the maximum amount which shall be paid out for each individual category of claims ; simultaneously with the confirmation of the present agreement, Article 10 of the Trade Agreement of 1921 is repealed and the property rights of the Soviet Government in Great Britain enter into effective force.

In presenting this formula they did not conceal their intention to admit only the smaller claims. They proposed to postpone examination of the question of nationalized property in the conference pending the conclusion of negotiations in progress with certain former owners. The British delegation proposed to submit specific counter-proposals, drafted as articles in a treaty, at the next session ;

[1] Official communiqué in *The Times*, 21st May, 1924.
[2] Official communiqué *ibid.*, 28th May, 1924.

but on the 3rd June this session, which had been fixed for the 4th, was postponed.[1]

The crux was a complete antinomy on a question of principle. The Soviet Government, though it might make certain practical concessions as a matter of expediency, was unwilling to renounce in principle the repudiation of public debts or the nationalization of private property; while both the British Government and the British bankers insisted on the contrary principles of the absolute obligation of debts and sanctity of property. The bankers demanded the unconditional acknowledgement of these principles as an essential preliminary to any attempt to raise a loan, while the Government made the same demand because, among other reasons, any formal remission of the Russian debt would create a precedent in regard to the debts owed to Great Britain by France and Italy. The next two months were occupied by meetings of the Second, Third, and Fourth Committees [2] and by slow and barren negotiations between the Russian delegation and the representatives of the private British bondholders.[3] Eventually, in the last days of July, M. Rakovski made another journey to Moscow.[4] During the few days which he spent there a struggle was reported to have taken place between the Kommissariat for Foreign Affairs of the U.S.S.R., represented by M. Rakovski himself and by M. Čičerin, and the leaders of the Third International, against whose perpetual and hampering interference with his work M. Rakovski appears to have complained at a special conference of the Russian Communist Party.[5] In any case, the fresh instructions with which M. Rakovski returned to London at the beginning of August had the effect of immediately bringing the suspended negotiations not only to life but to a definite issue.

On the morning of the 4th August the Plenary Conference met once more to consider the drafts of a general treaty and a treaty of commerce and navigation, and sat continuously for twenty hours. Agreement was reached on all points except the wording of a single clause in the general treaty; but at 7.30 a.m. on the 5th the sitting came to an end without this question having been settled, and it was

[1] *The Manchester Guardian*, 4th June, 1924.
[2] See Mr. MacDonald's statement in the House of Commons on the 30th June.
[3] For an account of these negotiations see an article by Mr. Michael Farbman in *The Manchester Guardian*, 7th July, 1924.
[4] See *The Times* and *Le Temps*, 1st August, 1924.
[5] *The Times*, 2nd August, 1924.

officially announced that the negotiations had broken down and that the treaty would not be signed.[1]

The contentious clause—which had been the principal cause of the previous suspension of negotiations, and also one of the principal subjects discussed by M. Rakovski with the Soviet Government during his visit to Moscow—ran as follows in the British draft which was before the conference on the 4th–5th August :

> The terms agreed upon between the Government of the U.S.S.R. and the British holders of bonds in accordance with the provisions of article 8, and the amount and method of payment of the compensation to be paid by the Government of the Union in respect of claims preferred by British nationals (including juridical persons) under articles 11 and 12, shall form the subject of a further treaty to be concluded between the parties when the reports to be made under articles 11 and 12 have been received.

Article 8 provided, with certain reservations, that the Soviet Government should meet the claims of private British holders of pre-war Russian bonds ; Article 11 provided for a ' lump sum ' settlement of claims by British nationals on account of loss or injury suffered since the 1st August, 1914 ; while Article 12 provided for the compensation of British nationals whose property had been nationalized by the Soviet Government—the settlement to be reached by direct negotiations between the Soviet Government and the parties concerned, concurrently with an investigation into the facts by a Governmental Mixed Commission.[2]

The Soviet delegation, on its part, had been willing to embody the arrangements envisaged in Articles 8 and 11 in a further treaty between the two Governments, but unwilling to apply the same procedure to the claims of owners of nationalized property, with whom they insisted on dealing individually and as a matter of expediency, not in a public treaty or as a matter of principle. As an alternative to the British draft M. Rakovski appears to have proposed originally that the further treaty should only relate to Articles 8 and 11, but that it should not be concluded until substantial progress in carrying out the terms of Article 12 had been reported. In his original proposal the decision that such progress had been made was to rest with both the Governments conjointly ; but, that suggestion having proved unacceptable to the British

[1] *The Manchester Guardian* and *The Times*, 6th August, 1924.

[2] In the revised draft which was signed on the 8th August and published as the British White Paper *Cmd.* 2215 of 1924, the number of the articles was altered. Articles 6, 7, and 8 of the earlier draft were consolidated into a single Article 6, so that Articles 9–20 became Articles 7–18 respectively.

delegation, the Soviet Government had determined, in consultation with M. Rakovski, to leave the decision entirely to the British Government, and M. Rakovski had returned to London with the following draft :

> The terms agreed upon between the Government of the U.S.S.R. and the British holders of bonds in accordance with the provisions of Article 8, and the amount and method of payment of the compensation to be paid by the Government of the Union in respect of claims preferred by British nationals (including juridical persons) under Article 11, shall form the subject of a future treaty to be concluded between the parties when the reports to be made under Article 11 have been received and when the British Government is satisfied that substantial progress has been achieved in the settlement of claims referred to in Article 12 (nationalized property).

These, it appears, were the two versions which the conference tried, and failed, to reconcile on the 4th–5th August.[1]

The contentious clause was a vital point in the treaty, since the next article [2] provided (notwithstanding the position taken by the British delegation on the 20th May) that

> upon the signature of the treaty referred to in Article 13 His Britannic Majesty's Government will recommend Parliament to enable them to guarantee the interest and sinking fund of a loan to be issued by the Soviet Government.

The Foreign Office communiqué announcing the breakdown of the conference was published on the morning of the 5th August, and Mr. Ponsonby, the Under-Secretary of State for Foreign Affairs, who had been in charge of the negotiations on the British side, had apparently expected that he would have to make a statement in the House of Commons, which was on the eve of rising for the Recess, on the same afternoon. That morning, however, he found that the statement had not to be made until the evening of the 6th, and at the same moment a group of six Members of Parliament [3] took the initiative in acting as intermediaries between Mr. Ponsonby and the Soviet delegation with a view to finding a formula acceptable to both parties. As a result of their intervention on the 5th (which appears to have been addressed to M. Rakovski at least as much as

[1] The foregoing account of the negotiations over Article 13 is taken from an article by Mr. Michael Farbman in *The Manchester Guardian*, 6th August, 1924.

[2] Article 14 in the draft of the 5th August, Article 12 in that of the 8th August.

[3] The names of Mr. Purcell, Mr. E. D. Morel, Mr. Lansbury, Mr. Wallhead, and Commander Kenworthy were mentioned in *The Times* of the 27th August, 1924.

to Mr. Ponsonby), the conference was convened again in plenary session at 11 a.m. on the 6th. Once again the two delegations failed to agree on the contentious clause ; but, once again, the unofficial intermediaries intervened, and this time with better fortune. A common formula was found, and was officially accepted at a second plenary sitting ; and, at 7.30 the same evening, Mr. Ponsonby announced in the House of Commons that a settlement had been reached.[1] In the debate which followed Mr. Ponsonby's exposition of the treaty, the Government was strongly criticized from various points of view, particularly by Mr. Ronald McNeill, Mr. Lloyd George, and Mr. E. C. Grenfell. The debate was adjourned until the following day (the 7th August), when the Prime Minister announced his determination to sign the treaty, while conceding that ' a signature attached to a treaty does not carry with it the sanction of the House of Commons ', and pledging himself that the treaty should lie on the table of the House of Commons for twenty-one parliamentary days. That evening the House adjourned until the 28th October, and both the general and the commercial treaty were duly signed on the 8th August.[2]

As a result of the negotiations on the 5th–6th August, the contentious clause (now Article 11) ran as follows in the final draft :

> A second treaty will be entered into which shall contain :
> 1. The conditions accepted in accordance with Article 6.
> 2. The amount and method of payment of compensation for claims under Article 8.
> 3. An agreed settlement of property claims other than those directly settled by the Government of the Union of Soviet Socialist Republics.

The connexion of this future treaty with the question of a guarantee by the British Government for a loan to the Soviet Government has been explained already ; and the text of the treaty of the 8th August, which is easily accessible, need not be analysed here. It is sufficient to note that Articles 6–13, which dealt with ' Claims and Loan ', were declared (Article 13) to ' constitute a single and indivisible unit '. This formed Chapter III of

[1] For information as to what occurred between 7.30 a.m. on the 5th and 3.30 p.m. on the 6th August see *The Times*, 7th August ; a statement and a speech by Mr. Ponsonby, reported in *The Times* of the 2nd September and the 6th October respectively ; an article in the Glasgow *Forward* (summarized in *The Times* of the 27th August) and another article in *Foreign Affairs* of September 1924, both by Mr. E. D. Morel (one of the six Members of Parliament who intervened) ; and a correspondence between Mr. E. D. Morel and Mr. Walter Runciman, published in *The Times* of the 9th and 11th September, 1924.

[2] *The Times*, 9th August, 1924.

the treaty. Chapter IV (Miscellaneous) contained a mutual pledge, drawn in comprehensive terms (Article 16), to abstain from hostile action; while Chapters I and II dealt with treaties and fisheries respectively. As for the draft treaty of commerce and navigation,[1] it did not extend to British shipping the rights of participation in the coasting trade of the U.S.S.R. which had been granted to Italian shipping under the Russo-Italian Treaty of the 7th February, 1924; but it did confer on the Soviet Trade Representative and his assistants (the number of whom was to be determined subsequently by mutual agreement) diplomatic privileges and immunities, including extra-territoriality for their offices in the Embassy; and the Trade Representative was to be exempted from giving security for complying with the orders of British Courts. In defending these provisions in the House on the 6th August, Mr. Ponsonby appealed to the precedents of the Russo-German and Russo-Italian Treaties, and claimed that the privileges granted in these had been more extensive. It is superfluous, however, to analyse the draft Anglo-Russian Commercial Treaty in detail, since it failed to come into force, so that, at the time of writing, Anglo-Russian commercial relations were still governed by the trade agreement of the 16th March, 1921,[2] which has been described above.

The next two months, during which the two treaties signed on the 8th August were pondered over by the British public, were marked by rising hostility. Protests were published, not only by parties directly interested, such as the Executive Committee of the Association of British Creditors of Russia [3] or the Russian Section of the London Chamber of Commerce,[4] but by bodies representing the general commercial interests of the country, such as the London, Liverpool, Manchester, and Glasgow Chambers of Commerce,[5] and at least twenty-four other Chambers in different quarters of the United Kingdom; [6] the Executive Council of the Association of British Chambers of Commerce; [7] the Federation of British Industries; [8] the Council of the Chamber of Shipping of the United Kingdom; [9] the Liverpool Steam Ship Owners' Association; [10] and

[1] Text published as a British White Paper (*Cmd.* 2216 of 1924).
[2] Subject to the effects of *de jure* recognition.
[3] *The Times*, 8th September, 1924. [4] *Ibid.*, 25th September, 1924.
[5] *Ibid.*, 22nd and 30th August and 9th September, 1924.
[6] See *ibid.*, 17th September, 1924, for a list of the Chambers of Commerce which had protested up to that date, with extracts from their resolutions.
[7] *Ibid.*, 18th September, 1924.
[8] *Ibid.*, 18th September and 20th October, 1924.
[9] *Ibid.*, 22nd September, 1924. [10] *Ibid.*, 11th October, 1924.

the British Empire Producers' Association.[1] This was a consensus of commercial opinion which no British Parliament would be inclined to ignore, and no doubt it affected the counsels of the Liberal Party, on whose parliamentary support the Labour Government was dependent. In spite of Mr. Lloyd George's attack upon the treaties in the House on the 6th August, and the publication of a pamphlet condemning them by the Liberal Party Head-quarters,[2] the attitude of the party as a whole remained in some doubt until the treaties were formally denounced by Lord Grey of Fallodon in a speech on the 18th September [3] and by Mr. Asquith in a letter of the 20th.[4] From that moment it was evident that if the Government met Parliament on the subject of the Anglo-Russian Treaties, it would be defeated.[5]

In a speech delivered at Derby on the 27th September,[6] Mr. MacDonald emphasized once again his intention, in negotiating the future treaty which was to involve a guarantee by the British Government of a loan to the Soviet Government, to insist that the House of Commons must determine the amount, the employment, and the securities of such loan. He added that his party would make the Russian Treaties a question of confidence, and, if defeated on them, would appeal to the country. Mr. MacDonald's subsequent decision to dissolve Parliament (the meeting of which had been advanced from the 28th October to the 30th September owing to a crisis over a question of internal politics) on the issue of the 'Campbell Case', instead of awaiting a further debate on the Anglo-Russian Treaties,[7] belongs to the domain of internal politics and cannot be discussed here, except to note that the 'Campbell Case' itself arose out of alleged Communist propaganda in Great Britain. The Government was defeated on the 'Campbell Case' on the 8th October, Parliament was dissolved on the 9th, and the General Election was fixed for the 29th. During the election campaign in Great Britain the Anglo-Russian Treaties were presented by M. Čičerin to the Central Executive Committee of the U.S.S.R., which eventually, and not without heart-searching, approved them as 'the

[1] *The Times*, 26th September, 1924. [2] *Ibid.*, 16th September, 1924.
[3] *Ibid.*, 19th September, 1924.
[4] *Ibid.*, 22nd September, 1924.
[5] For a statement of the case in favour of the treaties see a manifesto issued by the National Council of the Independent Labour Party and published *ibid.*, 6th October, 1924.
[6] *The Times*, 29th September, 1924.
[7] A motion for the rejection of the Anglo-Russian Treaties had been handed in by Mr. Asquith on the 1st October.

limit of concession beyond which the Soviet Government must not go '.[1] On the 24th October the world was startled by the publication, under a covering letter addressed to M. Rakovski by Mr. J. D. Gregory, a Foreign Office official, on behalf of the British Government, of a letter purporting to be addressed to the Central Committee of the British Communist Party by the Presidium of the Executive Committee of the Communist International, and to bear the signatures of MM. Zinoviev, McManus (a British Communist), and Kuusinen (the Finnish Secretary of the Executive Committee).

The texts of this document and of the covering letter are reprinted [2] in the Appendix and it need only be said here that if the document was authentic, its contents fully justified the severity of the British Government's comments upon it. At the time of writing its authenticity was still in dispute and seemed unlikely ever to be established or disproved definitively.[3] Between their defeat in the General Election on the 29th October and their resignation on the 4th November, the Labour Government appointed a Cabinet Committee to investigate the question, but this committee proved unable, according to a statement issued on their behalf on the 4th November, to present any decisive conclusions. The Conservative Government, which took office on the 6th November, appointed a committee in turn, and on the 15th December Mr. Austen Chamberlain, the new Foreign Secretary, stated in the House of Commons that the document had originally been obtained through the Secret Service,[4] and that its authenticity had subsequently been confirmed from three independent sources. While admitting that the text of which a translation was published on the 24th October was only a copy, Mr. Chamberlain and his colleagues were convinced that it was a correct copy of a genuine original which had been received and destroyed by members of the Communist Party in Great Britain.[5] On the other hand, Mr. MacDonald—at least down to

[1] *The Times*, 22nd and 24th October, 1924.
From *ibid.*, the 25th October, 1924.

[3] See an interesting letter on the question from Mr. Edwyn Bevan, *ibid.*, the 28th October, 1924.

[4] On the 10th December, in the House of Commons, the new Home Secretary, Sir W. Joynson-Hicks, had already stated that the Government were not prepared to give the evidence on which their opinion was based or the names of the persons concerned in it. On the 22nd December M. Rakovski, on M. Čičerin's instructions, offered, if the British Government would publish their evidence, to guarantee the unhindered departure from Soviet territory of ' the person ' who had supplied the British Government with the document (*The Times*, 23rd December, 1924).

[5] Statement by Mr. Chamberlain in the House of Commons on the 15th December.

the time of the debate of the 15th December—remained an agnostic, being not convinced either that the letter was authentic or again that it was a forgery.

It is easier to trace the history of the alleged ' Zinoviev letter ' from the moment when the text (whether authentic or not) was received by the Foreign Office. In his first public reference to the ' Zinoviev letter ' at Cardiff on the 27th October, Mr. MacDonald stated that the document entered the Foreign Office on the 10th (the day after the dissolution of Parliament) was registered on the 14th and was received by him on the 16th (at Manchester, during his election tour). On that day he minuted ' that the greatest care would have to be taken in discovering whether the letter was authentic or not. If it was authentic it had to be published at once, and in the meantime, while investigations were going on to discover the authenticity of the letter, the draft letter to Rakovski would be prepared, so that, when the authenticity was established, no time would be lost in making our protest to the Soviet Government '. The Foreign Office draft was dispatched to the Prime Minister on the 21st ; he received it at Aberavon on the 23rd, and revised and returned it on the 24th—that is, on the date on which the ' Zinoviev letter ', together with the covering letter as originally drafted, was published from Whitehall. The Prime Minister also stated that he had expected his revised draft to be returned to him with proofs of authenticity. On the other hand, he did not make it clear whether he had reserved the establishment of authenticity for his own judgement, or had left it to the discretion of the Foreign Office, or had omitted to rule with whom the final responsibility in this matter was to lie. The permanent officials concerned were precluded by their position from throwing light on this crucial question, and Mr. MacDonald's statement left an impression upon the public mind that in some measure he had imputed to civil servants a responsibility which a Minister of the Crown was required, by a good tradition, to take upon his own shoulders. Mr. MacDonald did, however, declare explicitly that the officials ' assumed that they were carrying out ' his ' wishes in taking immediate steps to publish the whole affair. They honestly believed that the document was authentic and upon that belief they acted.' It may be inferred that—to quote words used by Mr. Chamberlain in the House of Commons on the 15th December—' The Right Honourable Gentleman had not sanctioned the dispatch to M. Rakovski ', and that ' there was a misunderstanding between the officials and himself '—

a misunderstanding, however, which did not reflect upon the honour of either party concerned.[1]

The publication of the document and covering letter on the 24th October naturally gave rise to a diplomatic correspondence.[2] On the 25th October M. Rakovski addressed a reply of his own to the British note of the 24th ;[3] on the 28th he presented a further reply, dated the 26th October, which had been addressed to him, for transmission, by M. Litvinov, the Assistant Kommissar for Foreign Affairs in Moscow ;[4] and a message, also dated the 26th, was sent by M. Zinoviev to the British Trade Union Congress.[5] In all these three statements the alleged 'Zinoviev letter' was dismissed as a forgery,[6] but in other respects, both of content and of tone, they differed. M. Rakovski, whose note was ably drawn in conventional diplomatic form, recalled that, in 1923, the two Governments had agreed that they 'would endeavour to settle by direct conversations any incidents which might arise, resorting to the dispatch of notes only in the case of this friendly procedure failing to bring about a favourable result'. He deprecated the British note of the 24th as 'an unexpected violation' of this procedure at a particularly inopportune moment, and drew attention to details in the text of the alleged 'Zinoviev letter' which, in his view, proved it to be 'a clumsy forgery'. M. Litvinov demanded 'an adequate apology and the punishment of both the private and official persons involved in the forgery' and proposed that the question of the authenticity or falsity of the 'Zinoviev letter' should be submitted to an impartial arbitration court. M. Zinoviev suggested that the General Council of British Trade Unions should send a special mission to the U.S.S.R. to investigate the same question on the spot.[7]

In view of the tone of M. Litvinov's note, Mr. MacDonald refused to receive it ; and, after a semi-official correspondence on the point

[1] The mystery of the date of publication was increased by the report that a prominent London newspaper had come into possession of a copy of the 'Zinoviev letter' and was on the point of publishing it when it was anticipated by Mr. Gregory's note of the 24th October.

[2] For a convenient *dossier* of this correspondence, in which the Russian documents are translated into French from the official texts in the Moscow *Izvestia*, see *L'Europe Nouvelle*, 20th December, 1924.

[3] Text reprinted in the Appendix from *The Times*, 27th October, 1924.

[4] Text reprinted in the Appendix from *loc. cit.*

[5] Text in *The Times*, 27th October, 1924.

[6] On the 28th October the same line was taken, in a speech delivered in Moscow to the Central Executive Committee of Soviets, by M. Rykov, the Chairman of the Council of People's Kommissars. (*The Times*, 29th October, 1924.)

[7] This suggestion was acted upon.

between Mr. Gregory and M. Rakovski, this decision was confirmed, on behalf of the new Government, in a final letter from Mr. Gregory on the 21st November.[1] On the same date, two other notes were addressed to M. Rakovski by the new Foreign Secretary, Mr. Austen Chamberlain. The first of these ran as follows :

> His Majesty's Government have had under review the treaties negotiated by their predecessors with the Government of the U.S.S.R. and signed on August 8 last.
>
> 2. I have the honour to inform you that after due deliberation His Majesty's Government find themselves unable to recommend the treaties in question to the consideration of Parliament or to submit them to the King for His Majesty's ratification.

In his second note, which was a reply to M. Rakovski's of the 25th October, Mr. Chamberlain declared that it was unnecessary to go into the details of textual criticism in regard to the ' Zinoviev letter ',

> for the information in the possession of His Majesty's Government leaves no doubt whatsoever in their mind of the authenticity of M. Zinoviev's letter, and His Majesty's Government are therefore not prepared to discuss the matter.

He concluded with a general denunciation of the propaganda of the Third International, of which he declared the letter to be a fair specimen.

On the 28th November, replies to both Mr. Chamberlain's notes were handed in by M. Rakovski.[2] In the first, he accepted with regret the British Government's decision to drop the treaties. In the second, he declared that the Soviet Government ' must insist on its offer of arbitration as the sole means to an unbiased settlement ' of the question of the authenticity or falsity of the ' Zinoviev letter '. As regarded the ' general accusations against the Soviet Government in connexion with the activities of the Communist International ', he made the following statement :

> I am instructed by my Government to reiterate the declarations repeatedly made as to the complete political and administrative independence of the Communist International from the Government of the Union of Soviet Socialist Republics. My Government has never undertaken and cannot undertake to refuse the right of asylum to the Communist International, or to any other working-class organization, still less can it undertake to exercise pressure upon them.

Thus, at the close of the year 1924, the relations between the

[1] Text in *The Times*, 22nd November, 1924.
[2] Texts *ibid.*, 29th November, 1924.

Third International and the Soviet Government still remained ambiguous and at the same time conditioned the relations between the Soviet Government and other Powers ; and, unless and until this crux were removed, it was difficult to see how Anglo-Russian relations, at any rate, were likely to change for the better.

(v) The Recognition of the U.S.S.R. by France.

At the beginning of the year 1924, France was still as implacable an opponent of the Bolshevik régime as the United States, with which country she had an understanding in regard to the attitude to be maintained towards the Soviet Government, and this hostility was reciprocated on the Russian side. In the first days of January, M. Čičerin, in a lengthy declaration on Russo-French relations, accused French diplomacy of encouraging tendencies hostile to the U.S.S.R. in the border states.[1] It was true that there had been a Commercial Representative of the Soviet Government in Paris since 1921 ; but his transactions with French firms had no legal basis, since the two Governments had not concluded even a provisional commercial agreement. Moreover, the nationalization of private property in Soviet territory was not recognized by the French Courts, one of which had on the 12th December, 1923, ordered certain goods bought from the Soviet Government by a French firm and imported into France by the ' Optorg ' (the Soviet Government's wholesale trade organization) to be restored to an Armenian firm which claimed them as its property.[2] Both M. Čičerin, in the above-mentioned declaration, and M. Krassin protested strongly against this judgement,[3] and the Soviet Commercial Representative in Paris, M. Skobelev, was ordered to transfer his office to London.[4] There was, of course, a party in France desirous of establishing normal relations, and its leader, M. de Monzie, on the eve of the Anglo-Russian negotiations, asked M. Poincaré in the Senate whether the French Government would take part in the proceedings. M. Poincaré replied on the 9th April that he had not changed his opinion ; that it was not the French Government's business to interfere in conversations to which it had not been invited ; and that he would continue to demand the recognition of debts.[5] There matters

[1] *Le Temps*, 4th January, 1924.
[2] *The Times*, 25th January, 1924.
[3] *Le Temps*, 22nd January, 1924.
[4] *The Times*, 25th January ; *Le Temps*, 26th January, 1924.
[5] *The Times*, 10th April, 1924.

rested until M. Herriot succeeded M. Poincaré after the General Election of the 11th May.

M. Herriot announced, upon taking office, that he intended to establish normal relations with the Soviet Government forthwith. In view of the understanding with the United States, his first step (taken on the 16th June) was to notify this change of policy to the French Ambassador in Washington for the information of the State Department.[1] On the 20th June he consulted leading members of organizations representing French private interests in Russia with regard to procedure,[2] and at a second conference on the 30th it was decided to postpone *de jure* recognition until after the forthcoming London Conference on the Reparation Problem.[3] Meanwhile, he telegraphed on the 15th July to M. Čičerin reiterating his intention to restore normal relations, announcing that on his instructions nationals of the U.S.S.R. were to be admitted into France as freely as possible, and requesting that *visas* for Russia should no longer be systematically refused to French nationals. M. Čičerin replied on the 18th in equally friendly terms.[4]

During the London Conference M. Herriot appointed a committee of French officials and experts in London, with M. Seydoux as Chairman, to get into touch with British bondholders and owners of confiscated property, and a memorandum of certain observations made by this committee was handed to M. Rakovski before he left for Moscow to consult his principals regarding the Anglo-Russian negotiations.[5] By the end of July the Quai d'Orsay was in communication with unofficial representatives of the Soviet Government in Paris.[6]

In September M. Herriot appointed a committee of five, under the chairmanship of M. de Monzie, to work out the procedure for the resumption of relations with Russia.[7] The main point at issue was whether *de jure* recognition should be given unconditionally and the French reservations regarding the consequences implied by recognition and by the resumption of diplomatic and consular relations conveyed in a separate document; or whether recognition and reservations should be bound up together. At the instance of the

[1] *The Times*, 20th June; *Le Temps*, 24th June, 1924.
[2] *The Times*, 20th and 23rd June; *Le Temps*, 22nd June, 1924.
[3] *The Times*, 2nd and 3rd July, 1924.
[4] *Ibid.* and *Le Temps*, 21st July, 1924.
[5] *The Times*, 28th and 29th July; *Le Temps*, 30th July, 1924.
[6] *The Times*, 31st July, 1924.
Ibid., 13th September; *Le Temps*, 20th September, 1924.

unofficial Soviet representatives in Paris, the de Monzie Committee appears at first to have favoured the former course,[1] and even to have drafted texts on this basis ;[2] but at the last moment it was decided that a single document should be sent,[3] and a telegram in this form, dated the 28th October, was eventually signed by M. Herriot and dispatched to Moscow.[4] It was stated in the text that the recognition would 'in no wise infringe any undertaking entered into by France or treaty signed by her'. This referred to France's existing commitments to Poland and Rumania,[5] whose representatives had been previously consulted.[6] The Government of the U.S.S.R. was recognized *de jure* only 'as the Government of the territories of the old Russian Empire where its authority is accepted by the inhabitants, and in those territories as the successor of the former Russian Governments'. The last phrase implied that the Soviet Government inherited its predecessors' obligations, and the telegram went on expressly to reserve the rights which French citizens held in respect of obligations entered into by Russia or her nationals under the former régimes. Finally the resumption of diplomatic relations was declared to be merely the preface to a general agreement. The implications of this point were emphasized on the same day by M. de Monzie, who told a Press representative that an end had been put to 'impossibilities', but 'difficulties' would now begin.[7] These difficulties could not be removed by the prompt and cordial response of the Soviet Government, which was received at 1.45 a.m. on the 30th October,[8] or by the exchange of telegraphic felicitations between M. Čičerin and M. Herriot.[9]

MM. Herriot and Rakovski met in Paris on the 3rd November, and agreed that the negotiations foreshadowed in M. Herriot's telegram of recognition should be started, if possible, on the 10th January, 1925 ;[10] and on the 18th November, M. Herriot stated[11] in the Chamber that the agenda of the conference would be as follows :

(1) Revision of the treaties concluded with the former Russian Government.

(2) Diplomatic and consular clauses—privileges and immunities.

[1] *The Times*, 11th and 17th October, 1924.
[2] *Ibid.*, 18th October, 1924.
[3] *Ibid.*, 22nd October, 1924.
[4] An English translation is given in *The Times*, 30th October. For the French text see *Le Temps*, 30th October, and *L'Europe Nouvelle*, 1st November, 1924.
[5] See *Survey, 1920–3*, pp. 271–3.
[6] This was mentioned by M. Herriot in the Chamber on the 18th November.
[7] *The Times*, 30th October, 1924.
[8] An English translation of the text is given in *The Times*, *loc. cit.*
[9] The *Corriere della Sera*, 1st November, 1924.
[10] *Le Temps*, 6th November, 1924.
[11] *The Times*, 20th November, 1924.

(3) Right of access to and residence in the two countries for their respective subjects—passports.

(4) Settlement of existing claims, state property and interests, state indemnities, private property and interests, in Russia and in France.

(5) Reorganization of private property and interests, application of national laws.

On the same occasion, M. Herriot announced that the Russian fleet formerly in the possession of General Wrangel, which was interned at Bizerta, was to be handed over to the Soviet authorities, and that merchant vessels of either flag were to be admitted reciprocally to the ports of either country. He also explained that the dispatch of his telegram of recognition on the eve of the General Election in Great Britain was a purely accidental coincidence, and that it had never entered his mind to attempt to influence British public opinion.[1]

The decision regarding the Russian fleet at Bizerta resulted in the recall of Rear-Admiral L. R. A. Exelmans, the French Commander-in-Chief in North African waters, who refused to receive the Soviet Government's official mission which was to inspect the ships on the spot.[2] The mission duly arrived on the 29th December, but in the meantime difficulties had arisen in the Franco-Russian Joint Committee in Paris which was attempting to wind up the accounts arising out of the transfer,[3] and the transfer therefore failed to take place before the close of the year.

M. Krassin, the new Soviet Ambassador, presented his credentials on the 13th December,[4] and on the 21st it was announced that the reciprocal opening of ports to ships of either flag had been arranged.[5] In other matters, however, the prospects of settlement diminished. M. Krassin apparently took the same line with regard to the very large French claims [6] as M. Rakovski had taken in London, and the proposal that a loan should be made the condition of recognition of pre-war debts proved unpalatable in Paris also.[7] Moreover, French opinion was further aggravated by an increase in the outward signs of Communist activities ; while the Soviet authorities, on their side, were provoked by the sequestration, ordered on the 29th November, of the branches of Russian banks in Paris.[8]

It was therefore not surprising that it should be announced, on

[1] For suggestions to this effect see *The Times*, 30th October, 1924.
[2] *Ibid.*, 27th November, 1924. [3] *Ibid.*, 29th December, 1924.
[4] *Le Temps*, 13th December, 1924. [5] *The Times*, 22nd December, 1924.
[6] Those of private French nationals, apart from the State, amounted to 18,316,256,673 gold francs (£732,650,267) (*ibid.*, 11th October, 1924).
[7] *Ibid.*, 20th December, 1924. [8] *Loc. cit.*

the 19th December, that the Russo-French Conference originally fixed for the 10th January, 1925, had been postponed,[1] or that M. Krassin should have decided to revisit Moscow almost immediately in order to report to his Government.[2]

An important question which was raised indirectly by the French recognition of the Soviet Government was the status of the ' White ' Russian refugees in France,[3] of whom there were 400,000 by October 1924. There was no prospect of this number being diminished by a backward flow to Russia, for in 1923 a Soviet Mission had arranged for the repatriation of those willing to return, the last party of whom had left Dunkirk at the close of that year. Meanwhile, a Soviet decree of the 15th December, 1921, had deprived all Russian *émigrés* and refugees of their nationality, and this floating population amounted to a total of about 1,500,000 persons in Europe as a whole.[4] On the 15th October, 1924, when the *de jure* recognition of the Soviet Government by France was imminent, M. Maklakov, an ex-Russian Ambassador in Paris, and now the chairman of a central ' Emigration Committee ' representing the seventy-nine organizations of Russian refugees in France, submitted a memorandum to M. Herriot asking that the status of the refugees should be settled definitively. He proposed that the holders of certificates of identity who had received asylum in France should be placed under French law save in respect of certain matters of personal statute, in which French and Russian civil law differed. M. Herriot appears to have given in reply an assurance that the certificates of identity

[1] *Loc. cit.*

[2] *The Times*, 23rd December ; *Le Temps*, 28th December, 1924.

[3] See *The Times*, 11th November, 1924.

[4] On the 24th August, 1921, the Council of the League of Nations appointed Dr. Nansen as its High Commissioner for the task of ' attaining a definitive settlement of the question of Russian Refugees ', a plan of action having been drawn up at an inter-Governmental conference held at Geneva on the 22nd August. Besides raising and organizing the application of funds for provisional relief, Dr. Nansen (with the assistance of the International Labour Office) promoted the taking of an occupational census of the refugees in their various places of sojourn with a view to finding them productive work. In September 1921 he was faced with a crisis in the Constantinople area (the chief centre of congestion) owing to threats that the assistance rendered by the French Government and the American Red Cross would be withdrawn ; but he persuaded a number of Governments to offer an asylum to contingents of Russian refugees from Constantinople, and he obtained funds from Members of the League, and from the American Red Cross, to defray the costs of their evacuation. When the movement of the refugees was impeded by their lack of proper passports, Dr. Nansen organized an inter-Governmental conference at Geneva on the 3rd July, 1922, as a result of which thirty-four Governments (including the Turkish Government) had by the end of 1923 agreed to adopt a standard identity card for Russian refugees in their respective territories and to recognize similar cards issued by other Governments.

should be maintained and that no change in the status of Russian refugees in France should follow from the *de jure* recognition of the Soviet Government. Thereupon the Russian Emigration Committee set up a committee of Russian jurists to draw up a form of legal status for the Russian *émigrés* in French territory.

(vi) The Recognition of the U.S.S.R. by other Countries.

At the beginning of 1924 the only countries which had yet recognized the Government of the U.S.S.R. *de jure* were the five European border states, Finland, Esthonia, Latvia, Lithuania, and Poland (all of which had been included wholly or partly in the former Russian Empire and had secured independence after a war with the Soviet Government, ending in peace treaties in which the parties had accorded one another full recognition); the German *Reich* (which had signed a treaty with the Soviet Government on the 16th April, 1922, at Rapallo); and the three Middle Eastern border states of Turkey, Persia, and Afghanistan (which had signed treaties with the Soviet Government on the 16th March, 26th February, and 28th February, 1921, respectively).[1] In the course of the year, however, the Soviet Government obtained *de jure* recognition from the three Principal European Allied Powers;[2] and this diplomatic success, which gave the U.S.S.R. that international status which it had lacked hitherto, induced a number of intermediate and minor states to follow the example of the Great Powers and negotiate with the Soviet Government for *de jure* recognition.

The negotiations did not succeed in every case. The Belgians, for example, who, at the Genoa Conference [3] and elsewhere had insisted even more rigidly than the French upon their claims against the Soviet Government, were not moved to any drastic change of policy.[4] The Belgian Government, nevertheless, authorized the establishment of a Soviet Trade Representation at Antwerp at the end of February 1924,[5] and a month later instructed its consuls in Finland to grant *visas* for Belgium to nationals of the U.S.S.R.;[6] while in April conversations with a view to the establishment of normal relations were started, on the Soviet Government's initiative, between the

[1] See *Survey, 1920–3*, pp. 370, 385, and 387. In these last three treaties *de jure* recognition, while presumably implied (at least in the Russo-Turkish and Russo-Afghan treaties) does not appear to be explicitly mentioned.
[2] See Sections (iii), (iv), and (v) above.
[3] See *Survey, 1920–3*, pp. 25–33.
[4] *The Times*, 6th February, 1924.
[5] *Ibid.*, 1st March, 1924.
[6] *Ibid.*, 26th March, 1924.

Belgian Ambassador in London and M. Rakovski.[1] On the 22nd May, however, the Committee for the Defence of Belgian Interests in Russia decided unanimously against the unconditional resumption of relations.[2] The Soviet Government held out, as a bait, the prospect of establishing at Antwerp a kind of maritime base for the trade of the Union with Western Europe ;[3] and in October four Soviet delegates visited Belgium to induce Belgian firms interested in Russia to resume their activities in the latter country ; but the Belgian Government held aloof from these negotiations and informed its nationals that any agreement entered into with the Soviet Government would be at their own risk,[4] and here matters stood at the end of the year. The Belgian Government's attitude may have been affected by the strike of miners in the Borinage, which lasted from the 16th August till the 15th October and was accompanied by disturbances attributed (though perhaps on somewhat slender evidence) to Communist agitation.[5]

Conversations between representatives of the Netherlands and the U.S.S.R. were held in March and again in April in Berlin,[6] but the negotiations broke down during the first week in May. The Dutch representatives had been empowered to negotiate a commercial treaty on condition that the existing Dutch claims against the Soviet Government received ' most favoured nation ' treatment, whereas the Russian representatives had only been empowered to settle immediately the question of *de jure* recognition, and had been instructed that, in any subsequent settlement of commercial claims, the Dutch Government must not expect to receive as favourable treatment as Governments which had previously recognized the U.S.S.R. *de jure*.[7] In Parliament on the 16th May the Dutch Foreign Minister, M. van Karnebeek, confirmed this account of what had occurred and added that, while Holland had been willing to accept treatment less favourable than that granted by the Soviet Government to the border states, either in Europe or in Asia, the refusal to put Holland on a parity with any state which had given

[1] *Ibid.*, 1st May ; *Le Temps*, 2nd May, 1924.
[2] *Le Temps*, 11th June, 1924.
[3] *Loc. cit.*
[4] *The Times*, 29th October, 1924.
[5] See *Le Temps*, 19th September, 2nd, 8th, 11th, 12th, and 18th October ; and *The Times*, 16th and 17th October, 1924.
[6] *Le Temps*, 20th March and 24th April. The first advances seem to have been made in February by a member of the Soviet Trade Delegation in London who was passing through The Hague, though the Dutch Government denied that negotiations were started on that occasion (*Le Temps*, 17th February ; the *Deutsche Allgemeine Zeitung*, 16th February, 1924).
[7] *The Times*, 9th May ; *Le Temps*, 10th May, 1924.

prior recognition to the U.S.S.R. made the formula worthless.[1] He declared, however, that the negotiations had been adjourned rather than broken off. At the end of the year, they still remained in suspense, though the municipality of Amsterdam appears to have negotiated on its own account with a view to making Amsterdam a depot for Russian grain and oil.[2]

The negotiations between the three Scandinavian countries and the Soviet Government were more successful. Denmark accorded *de jure* recognition to the U.S.S.R. on the 18th June, and in a simultaneous exchange of notes it was agreed that commercial and shipping relations should be based on the provisional trade agreement of the 23rd April, 1923, pending the conclusion of a definitive treaty. Meanwhile Danish trade was to be treated not less favourably than the trade of Sweden and Norway or of any countries which might subsequently recognize the U.S.S.R. *de jure*. Claims were likewise to be settled on a ' most favoured nation ' basis.[3]

Norway recognized the U.S.S.R. *de jure* on the 15th February,[4] the Soviet Government recognizing in return the sovereignty of Norway over Spitzbergen.[5] The two Governments at the same time agreed to negotiate a definitive treaty in the near future, but the negotiations had not begun by the end of the year.

Sweden, while desiring to conclude a commercial treaty with the U.S.S.R., seems at first to have made *de jure* recognition conditional on somewhat exacting terms regarding the settlement of claims, and yet to have demanded all the advantages obtained by countries which had granted recognition already. Eventually,[6] however, on the 15th March, a trade agreement and a declaration giving *de jure* recognition were signed. All the claims of either party were reserved, on the understanding that they should receive treatment not less favourable than the corresponding claims of other countries.[7]

Relations between Switzerland and the U.S.S.R. had been particularly bad since the 10th May, 1923, when M. Vorovski, the chief Soviet delegate to the Lausanne Conference, had been assassinated at Lausanne by a Russian *émigré* of Swiss descent named Conradi. The Soviet Government had held the Swiss Government responsible, though the latter pointed out that the murder was an act of private vengeance ; an acrimonious diplomatic correspon-

[1] The *Deutsche Allgemeine Zeitung*, 18th May, 1924.
[2] *Le Temps*, 5th August, 1924.
[3] The *Deutsche Allgemeine Zeitung*, 20th June, 1924.
[4] *The Times*, 16th February, 1924. [5] *Le Temps*, 18th February, 1924.
[6] *Ibid.*, 26th January and 4th March, 1924. [7] *Ibid.*, 24th March, 1924.

dence had taken place; and on the 1st July, 1923, the Soviet Government had declared a boycott of Swiss goods. Conradi and his accomplice Polunin were tried and acquitted, and further reprisals were then started on the Russian side—Soviet representatives abroad being instructed to refuse *visas* for the U.S.S.R. to Swiss citizens, while Swiss citizens already resident in Soviet territory were to be expelled.[1] On the 12th August the Swiss Federal Council retorted by excluding nationals of the Union from Swiss territory.[2] It is therefore not surprising that, while Swiss commercial circles considered the possibility of resuming commercial relations,[3] rumours that normal diplomatic relations were to be established [4] were officially denied. On the 19th June, 1924, M. Motta stated in the Swiss National Council that indirect negotiations had been on foot at the time of M. Vorovski's assassination, but that they had been terminated by the boycott and would not be resumed so long as the boycott lasted. He mentioned, however, that the Federal Council had already declared its willingness that a Soviet 'Observer' should attend the League of Nations Assembly at Geneva.[5]

Austria, which had signed a trade agreement with the U.S.S.R. on the 7th December, 1921, accorded *de jure* recognition in a note [6] of the 25th February, 1924, in which the Austrian *chargé d'affaires* in Moscow announced the decision of his Government to establish normal diplomatic and consular relations, and its intention to propose, later on, certain consequential alterations in the existing treaty.

In Czechoslovakia, the question of a commercial treaty was ventilated in October 1924 by the Soviet representative at Prague, and in December M. Beneš declared, in a statement to the Congress of the Czechoslovak Social Democratic Party, that the moment for giving the U.S.S.R. *de jure* recognition had arrived.[7] This declaration led to a passage of arms between M. Beneš and M. Kramař in the Foreign Affairs Committee of the Chamber. On this occasion M. Beneš apparently stated his belief that the Soviet Government did, in fact, assist the propaganda of the Third International, but insisted that the establishment of normal diplomatic relations would

[1] *The Times*, 4th January, 1924.
[2] The *Corriere della Sera*, 13th August, 1924.
[3] *Le Temps*, 15th April; *The Times*, 20th June, 1924.
[4] *Le Temps*, 20th November, 1924.
[5] *The Times*, 20th June, 1924.
[6] Text in *Russian Information and Review*, 8th March, 1924.
[7] *Le Temps*, 16th December, 1924.

be opportune, and would not hinder the Czechoslovak Government from combating Communist propaganda in its territory.[1]

A remarkable achievement—considering the violent contrast between the political complexion of the two régimes—was the signature in Berlin on the 18th September, 1924, of a trade agreement (accompanied by the establishment of normal diplomatic relations) between the Hungarian and Soviet Governments. The Hungarian motives were, first, the example of the Great Powers, and secondly the ambition to build up national industries, for which the territories of the U.S.S.R. offered a possible market.[2] Nevertheless, the Government's action raised a storm in Parliament when it met on the 7th October. Meanwhile, the firstfruits of the agreement were the exchange of thirty-four Hungarian Communists against thirty-four Hungarian prisoners of war still remaining in Russia.[3]

Greece started negotiations in January 1924 for the resumption of both commercial and diplomatic relations with the Soviet Government, and gave the U.S.S.R. *de jure* recognition on the 8th March.

Relations between the Vatican and the Soviet Government had been completely broken off when, on the 26th March, 1923, 'Archbishop Cieplak and Mgr. Butkevič, the leading Roman Catholic Prelates in Russia, were tried for alleged acts of hostility to the Soviet Government, and were condemned, the former to ten years' solitary confinement and the latter to death, the sentences being duly carried out.'[4] On the 30th March, the Soviet Government received simultaneous appeals for the reprieve of Mgr. Butkevič from the representatives of the British Government in Moscow and of the *soi-disant* Irish Republic in France.[5] The British Government's appeal resulted only in an acrimonious exchange of notes,[6] and Great Britain's eventual diplomatic victory, which was marked by the withdrawal of two offending communications from the Kommissariat for Foreign Affairs of the R.S.F.S.R., can have brought little consolation to the Catholic Church. Meanwhile, Archbishop Cieplak and other Roman Catholic ecclesiastics remained in prison, and when Great Britain was on the point of according *de jure* recognition to the Soviet Government the Vatican was

[1] *Ibid.*, 20th December, 1924.

[2] See *Le Temps*, 22nd September; and Count Bethlen's statement to the Budapest Correspondent of *The Times*, published on the 8th October, 1924.

[3] *Le Temps*, 11th October, 1924.

[4] Quoted from Lord Curzon's memorandum of the 2nd May, 1923. (*Cmd.* 1869 of 1923.)

[5] *Op. cit.*, Nos. 1 and 2.

[6] See Section (iv) above.

reported to have asked that the release of these ecclesiastics should be made one of the conditions.[1] This did not prove possible, since unconditional recognition was the policy of the British Government ; but towards the end of March, on the eve of the Anglo-Russian negotiations in London, Archbishop Cieplak's sentence was suddenly commuted from ten years' imprisonment to permanent banishment from the territories of the Union.[2] A few days later, the prisoner (who had not been informed of his reprieve) was placed on board a train under guard and turned out free, but destitute, at the Latvian frontier. A charitable passenger paid his railway ticket to Riga, where he had some difficulty in establishing his identity,[3] but from the moment of his recognition his journey, which he continued through Warsaw to Rome, became a triumphal progress. In Rome, he was granted an audience by the Pope on the 9th May.[4] His release, however, had not resulted in the *de jure* recognition of the U.S.S.R. by the Vatican by the end of the year 1924.

Nevertheless, by that date, the Soviet Government had been recognized *de jure* by fifteen out of the twenty-five [5] European states of the time (including all the actual or potential European Great Powers) as compared with six at the beginning of the year.[6] M. Čičerin's diplomacy, however, was less successful overseas.

In the United States, at this time, the recognition of the U.S.S.R. was strongly opposed by public opinion ; and in this matter the Secretary of State, Mr. Charles Evans Hughes, and Senator Lodge found themselves in complete agreement. There was, however, one influential supporter of recognition on the Foreign Relations Committee of the Senate. Senator Borah advocated it vigorously in an article published in the *New York Times* on the 28th December, 1923, and again in a debate in the Senate on the 7th January, 1924. In the same debate, Senator Lodge, in a carefully documented indictment, exposed the relations of the Third International with the Russian Communist Party and with the Government of the U.S.S.R.[7] Thereafter, the Foreign Relations Committee appointed a sub-committee, including Senator Borah, to hear evidence from the State Department on the subject, and the nature of this evidence

[1] *The Times*, 5th February, 1924. [2] *Ibid.*, 24th March, 1924.
[3] *Ibid.*, 13th April, 1924. [4] The *Corriere della Sera*, 10th May, 1924.
[5] Not counting Turkey as a European state.
[6] The ten European States which had not yet recognized the Soviet Government *de jure* by the 31st December, 1924, were Albania, Belgium, Bulgaria, Czechoslovakia, Holland, Jugoslavia, Portugal, Rumania, Spain, and Switzerland.
[7] See *The Times*, 9th January, 1924.

—of which certain points have been cited above [1]—caused Senator Borah's proposal to fall to the ground for the time being. He returned to the attack, however, in a speech delivered on the 11th November, after he had succeeded Senator Lodge as chairman of the Foreign Relations Committee ; [2] and although he still found himself impotent in face of the implacable opposition of the Secretary of State, who in this matter had the support of President Coolidge, the resignation of Mr. Hughes on the 4th March, 1925, prepared the way for a possible change in Russo-American relations.

In Canada, the head of the Soviet Trade Delegation, M. Yanikov, inquired officially of the Prime Minister, Mr. Mackenzie King, whether the *de jure* recognition of the U.S.S.R. by His Britannic Majesty included recognition by Canada, and Mr. King replied that ' in the best interests of both countries, Canada ' was ' prepared to recognize ' the U.S.S.R.[3] It was, however, apparently found, on the customs examination of the baggage brought by the Mission from Moscow (for which it had claimed, and been refused, diplomatic immunity),[4] that nearly half of it consisted of Communist propaganda literature.[5] M. Yanikov was reported to have explained to Mr. King on the 8th August ' that official Russia had no knowledge of the inclusion of questionable literature in the consignment, and that the pamphlets were used as packing because they happened to be samples of a cheap form of printing now in an experimental stage in Russia '.[6] On this occasion, Mr. King made it clear that Canadian recognition of the U.S.S.R. extended only to trade relations. The dangerous possibilities of Communist propaganda in Canada had been illustrated, towards the close of 1923, by evidence in a civil action brought by members of the Ukrainian national society *Prosvita* [7] against a revolutionary group who had captured control of the organization two years previously and had converted it into an agency for spreading among the Canadian Ukrainians the doctrines of the Third International.[8]

[1] See Section (ii) (*b*), p. 192, above. The evidence was afterwards published officially.

[2] See *The Times*, 13th November, 1924. [3] *Ibid.*, 28th March, 1924.

[4] See Section (ii) (*f*) above for the similar controversy between the U.S.S.R. and Germany. [5] See *The Times*, 19th April, 1924.

[6] Dispatch, dated the 8th August, 1924, to *The Times* from Ottawa.

[7] These Ukrainians, who had emigrated to Canada from Eastern Galicia before the War of 1914, when Galicia was an Austrian Crown Land, were one of the largest communities of non-British origin in Canada at this time. The *Prosvita* Society had originally promoted cultural objects of a perfectly legitimate character.

[8] See *The Times*, 1st January, 1924.

(vii) The Russo-Rumanian Negotiations and the Question of Bessarabia (1924).

The history of the Bessarabian Question, from the Russian Revolution of 1917 down to the close of the year 1923, has been dealt with in the preceding volume.[1] At the beginning of 1924 the treaty concerning Bessarabia which had been signed in Paris on the 28th October, 1920, by Rumania and the four Principal Allied Powers had been ratified by Rumania herself and by Great Britain (on the 14th April, 1922)[2] but not by the other three parties, while no agreement on the question had been arrived at between Rumania and the U.S.S.R.

Notwithstanding this grave unsettled issue between the two last-mentioned countries, which had hitherto prevented the resumption even of informal diplomatic relations, Russo-Rumanian negotiations were opened on the 5th December, 1923, at Tiraspol for the repatriation of refugees, and were continued at Odessa for the conclusion of a commercial treaty ;[3] and early in January the Rumanian Government proposed that a conference to regulate the general relations between the two countries should be held at Salzburg in Austria.[4] Meanwhile, the commercial negotiations were suspended owing to the refusal of the Rumanian Government to allow the Russian commercial delegation to proceed to Kišinev, in Bessarabia, in order to meet the Rumanian delegation in that city ;[5] and the Soviet Government rejected Salzburg as the meeting-place for the general conference which the Rumanian Government had proposed.[6] Early in February, however, the two Governments agreed to hold the proposed conference at Vienna.[7]

From the outset there appears to have been a misunderstanding between the parties as to what the scope of the Vienna Conference was to be. The Rumanians were only prepared to resume the commercial negotiations and to discuss other outstanding questions on condition that the Russians admitted—at least tacitly, by not raising the issue—that the Bessarabian Question had already been

[1] *Survey, 1920–3*, pp. 273–8.
[2] On the 29th April, 1924, Mr. Ponsonby declared in the House of Commons that the treaty, having so far been ratified only by Great Britain and Rumania, was not yet in force and that the British Government was not bound by its terms.
[3] *Le Temps*, 1st January, 1924.
[4] The *Corriere della Sera*, 5th January, 1924.
[5] *Ibid.*, 11th January, 1924.
[6] *Ibid.*, 13th January ; *Le Temps*, 19th January, 1924.
[7] *The Times*, 8th February, 1924.

settled in Rumania's favour. The Russians were only prepared to resume the commercial negotiations on condition that the Bessarabian Question was re-opened simultaneously.[1] On the 11th March, while the Russo-Rumanian Conference was pending, the French Chamber of Deputies voted the operative clauses of the treaty of the 28th October, 1920 [2]—a step against which M. Čičerin protested on the 16th in a telegram to M. Poincaré.[3]

The conference was slow in beginning, for, though both delegations had arrived in Vienna by the 23rd March,[4] the formal opening, under the presidency of the Austrian Foreign Minister, Herr Grünberger, did not take place till the 27th,[5] while the agenda were not drawn up until the 28th, and then only in outline.[6] Nevertheless, the fate of the conference was virtually sealed at this second sitting, when the principal Russian delegate, M. Krestinski (the Soviet Ambassador in Berlin), proposed that territorial questions should be taken first. The Rumanian delegate agreed on condition that the Bessarabian Question, which the Rumanian Government regarded as being closed, should be excluded from discussion, whereupon M. Krestinski handed him a written memorandum on the subject, in which the Soviet Government renounced the ' historic rights ' of the Czardom over Bessarabia, but at the same time declined to recognize either the resolutions in favour of union with Rumania which had been passed in 1918 by bodies purporting to represent the Bessarabian people, or again the inter-Allied treaty of the 28th October, 1920. The memorandum went on to demand that the question of the allegiance of the Bessarabians should be settled by a plebiscite. In an opposing memorandum, the Rumanian delegation contended that the resumption of normal friendly relations, which was the object of the conference, necessarily implied a preliminary recognition, on the part of the Soviet Government, that the River Dniestr constituted the frontier between the two countries and that the Bessarabian Question was no longer open.[7] The impossibility of reconciling these two standpoints was so patent that at the third sitting, on the 2nd April, the Rumanians proposed to adjourn and the Russians to terminate the conference, and the latter alternative

[1] *The Times*, 5th March, 1924. [2] *Ibid.*, 12th March, 1924.
[3] Texts of M. Čičerin's protest and of M. Poincaré's reply (instancing the previous ratification of the treaty by Great Britain) in *Le Temps*, 29th March, 1924.
[4] *The Times*, 25th March, 1924. [5] *Le Temps*, 29th March, 1924.
[6] The *Corriere della Sera*, 29th March, 1924.
[7] For the texts of the two statements of the 28th March see *Le Temps*, 1st April, 1924.

was adopted.[1] The Soviet delegation's demand for a plebiscite in Bessarabia was definitely rejected by the Rumanian delegation in a final statement presented on that day.[2]

The immediate change, produced by this breakdown of the Russo-Rumanian negotiations, in the attitude of Rumania towards her relations with France is described elsewhere.[3] On the 30th April, the French Government improved the occasion by depositing the French ratification of the treaty of the 28th October, 1920; and on the 7th June a decree was promulgated which put the treaty into execution as far as France was concerned.[4]

Officially, the breakdown of the negotiations left Russo-Rumanian relations no worse, if no better, than they had been before; and in an interview given to American journalists in Moscow before the close of April M. Trotski was reported to have denied categorically that the U.S.S.R. intended to go to war with Rumania over the Bessarabian Question.[5] Nevertheless, this failure to re-establish normal relations with her formidable eastern neighbour—a failure which became more conspicuous as one European Government after another came to terms with the Soviet Government in the course of the year 1924 [6]—had the effect of deepening, in the minds of the Rumanian Government and people, the feeling of isolation and insecurity under which they were already labouring. Their apprehensions were increased by a raid on the Bessarabian town of Tatar Punar, which was made on the 15th September by an armed band transported in motor boats by sea—presumably from Soviet territory [7]—and by the erection of a Moldavian Autonomous Republic on the left bank of the Dniestr on the 11th October.[8] In December a Russo-Rumanian Mixed Commission was set up in order to deal with incidents on the frontier. When this Commission met, the Rumanian delegates made a formal complaint regarding the raid of the 15th September, to which the Russians replied, as was to be expected, by declaring that the Soviet authorities had had nothing to do with it.[9]

[1] *Le Temps*, 4th April; *The Times*, 3rd April, 1924.

[2] Extracts from the text in *Le Temps*, 4th April. For further expositions of the two cases see a statement by the Rumanian Minister in Paris, M. Antonescu, published in *Le Temps* of the 5th April; a statement by M. Litvinov, reported in *Russian Information and Review* of the 19th April; and an interview with the Soviet Ambassador in London, M. Rakovski, published in *The Manchester Guardian* of the 20th May, 1924.

[3] See II. B. (vi), below.

[4] *Le Temps*, 7th June, 1924.

[5] The *Corriere della Sera*, 24th April, 1924.

[6] See the preceding section.

[7] *The Times*, 19th and 22nd September, 1924.

[8] See above, p. 178.

[9] *Le Temps*, 8th and 18th December, 1924.

PART II

EUROPE

A. WESTERN EUROPE: THE ALLIES AND GERMANY

(i) Introductory Note.

During the three years 1920–2, the relations between the Allies and Germany were dominated by the Reparation Problem; and this question continued to occupy the foreground until the 30th August, 1924, when the four diplomatic instruments arising out of the London Conference of the 16th July–16th August of that year were signed. Thereafter, the Reparation Problem claimed less attention, for the good reason that it appeared, at last, to be in a fair way towards settlement, and interest shifted to the military control and disarmament of Germany (which had been in suspense during the struggle in the Ruhr) and to the negotiation of commercial treaties between Germany of the one part and Great Britain, France, and Belgium of the other, in order to replace the provisional régime instituted by the Versailles Treaty (Part X, Section I, Arts. 264–70)—a régime which was due to expire on the 10th January 1925. These two questions will be taken up in the *Survey of International Affairs for 1925*. The present volume is occupied with the history of the Reparation Problem between the 11th January, 1923, and the 14th January, 1925.

During the phases of the Reparation Problem which have been dealt with in the preceding volume, there were developments on two planes. On the one hand, there was the actual transfer of certain values from Germany to the Allies and the actual effect of this transfer upon the financial and economic position of the several parties concerned, and, on the other hand, there were diplomatic negotiations, which often bore little relation to the economic realities of the moment.[1] During the third phase, which opened

[1] Though this very gulf between diplomatic theories and economic facts exercised, at each stage, a most adverse influence upon the *subsequent* development of the latter.

with the Franco-Belgian occupation of the Ruhr, the range of the problem was extended to a fresh plane of action, and while the franc lost a quarter and the mark the whole of its value, and while the Governments continued intermittently to exchange notes and to draft fresh schemes of settlement, a struggle of wills took place in the Occupied Territories themselves between the representatives of the Occupying Powers and the local German population supported by the German Government.

Logically, this struggle, which lasted from the Franco-Belgian occupation of Essen on the 11th January, 1923, until the abrogation of the German Government's ordinances in support of passive resistance on the 27th September, can only be regarded as a renewal of war between France and Belgium on the one side and Germany on the other. No doubt, both parties shrank from accepting all the implications of such an admission. The French and the Belgians denied that they were conducting military operations, and the Germans, while insisting that their opponents were committing acts of war, described the counter-measures taken by the German Government and population as passive resistance. In fact, however, either party took action against the other which, according to the international conventions of contemporary Western society, could only be justified in dealing with enemy populations and Governments, and which would have led inevitably to a formal declaration of war if at that time Germany had possessed an organized army capable of offering any resistance to the armies of Belgium and France. The position may perhaps be described most accurately as a state of war without a military front. At any rate, it is difficult to see in what respect the struggle that took place in the occupied German territories during these months differed from that which had been carried on in the occupied Belgian and French territories between August 1914 and November 1918. It will be most convenient to deal with this struggle as a whole,[1] before picking up the diplomatic threads at the point where they were broken during the Paris Conference of the 2nd–4th January, 1923.[2]

[1] Except for the so-called 'Separatist Movement', which is dealt with in Section (iii), below.

[2] See *Survey, 1920–3*, pp. 193–201.

(ii) The Struggle in the German Occupied Territories from the 11th January, 1923, to the entry into operation of the 'Dawes Plan'.

The breakdown of the Paris Conference compelled Italy and Belgium to choose between the policies of Great Britain and France. Italy decided to co-operate with France but to commit herself to the least extent possible. She sent no troops into the Ruhr and only a handful of engineers, who were subsequently withdrawn. The Belgian Cabinet, on the other hand, decided on the 6th January to take identical action with the French Government, and this decision was approved on the 9th by the Chamber.[1] The Franco-Belgian solidarity thus established was of the utmost value to France. It not only relieved the French mind from the nightmare of isolation but it offered French diplomacy some prospect of justifying M. Poincaré's policy in the eyes of the world, since public opinion would be inclined to look upon any action against Germany in which Belgium participated as a legitimate reprisal for the international crime of which Germany had been the perpetrator and Belgium the victim in 1914. On the Belgian side, the motives for this momentous decision, which was not taken with a light heart, were complex. To some extent the Belgian Government had been embittered by the terms of the British Reparation project of the 2nd January, which had seemed to imply a sacrifice of Belgian interests; but the determining consideration was that Belgium was a Continental state, that she had irrevocably lost the sheltered position which she had enjoyed from 1839 to 1914, and that her best security now lay in solidarity with France, the chief continental military Power which had emerged from the War, even if French policy were not in all respects to her liking.

On the 10th January the French and Belgian Governments informed the German Government, in identic terms, of the steps which they were taking.[2] 'On account of the defaults declared by the Reparation Commission and committed by Germany in the execution of the Reparation Commission's programme regarding timber and coal deliveries, and in accordance with the terms of paragraphs 17 and 18 of Annex II to Part VIII of the Treaty of Versailles', they had decided to send into the Ruhr 'a control

[1] See Belgian Grey Book: *Documents diplomatiques relatifs aux Réparations*, Documents 2–4.

[2] For the text of the document, which consisted of a note and two annexes, see Belgian Grey Book, Doc. 7, and *L'Europe Nouvelle*, 20th January, 1923.

commission of engineers with the necessary powers to supervise the action of the *Kohlensyndikat*, to ensure the strict application of the programmes fixed by the Reparation Commission and to take all the measures required to secure the payment of Reparation '. This *Mission Interalliée de Contrôle des Usines et des Mines* (M.I.C.U.M.) was to supervise the distribution of coal and coke by the *Kohlensyndikat*, and to see that the full quantities prescribed for the Allied countries and for the Rhineland were delivered.[1] In case of disobedience or default, ' severe sanctions ' were to be taken, and the ' *personnel* of the German administration and the representatives of industrial groups and traders were, under pain of severe sanctions, to put themselves completely at the disposal of the mission for the execution of its task, and were to comply in due course with the orders which they would receive from the head of the mission '. The German Government was therefore requested to instruct its officials to obey the M.I.C.U.M.'s orders. The French and Belgian Governments had no thought ' of proceeding at the moment to operations of a military nature or to an occupation of a political character. They were sending into the Ruhr only such troops as were necessary to protect the mission and enable it to carry out its instructions.' Indeed, the normal life of the local population was not to be disturbed ; but ' if the operations of the officials of the mission or the installation of the accompanying troops were in any way hindered, or if the local authorities, by their action or deliberate inaction, were to cause any disturbance in the economic life of the district, any measures of coercion and any sanctions which might be considered necessary would at once be taken '.

In order to understand the import of this announcement, it is necessary to recall the extent to which the resources, energies, and population of Germany—particularly within the frontiers created by the Versailles Treaty and the Upper Silesian Award—were concentrated in the Ruhr Basin. It was calculated that, at the date of the Franco-Belgian occupation, this patch of territory [2] accounted

[1] Satisfaction was also to be given to the needs of the new Occupied Territories.

[2] The area actually occupied was about 96 kilometres long by 45 broad (60 by 28 miles). See J. King : *The History of the French Occupation of the Ruhr : Its meaning and consequences* (London, 1923, British Bureau for Ruhr Information) and *Un An d'Occupation : L'Œuvre Franco-Belge dans la Ruhr en 1923* (Düsseldorf, 1924, Imprimerie de l'Armée du Rhin). The latter has been translated into English under the title of *The Franco-Belgian Achievement in the Ruhr*. The passages quoted in the present work have not been taken from this translation but have been translated independently.

for 80–85 per cent. of Germany's coal and 80 per cent. of her steel and pig-iron production, for 70 per cent. of the goods and mineral traffic on her railways, and for 10 per cent. of her population. There was no area of proportionate size in contemporary France, Great Britain, or the United States which played so important a relative part in the economic life of those countries. These facts, which had been ably set forth by M. Dariac, the Chairman of the Finance Commission of the French Chamber, in a secret report [1] on a reconnaissance undertaken in May 1922, were the basis of M. Poincaré's policy.

On the 11th January the M.I.C.U.M. was escorted into Essen by two French infantry divisions and one cavalry division, accompanied by a Belgian detachment, under the high command of General Degoutte, the Commander-in-Chief of the French Army on the Rhine.[2] In an *arrêté* of the same date,[3] General Degoutte proclaimed a state of siege in the newly occupied territories, required the German civil authorities to take orders from the French military authorities, and demanded the surrender of all arms and munitions in private hands. Provisionally, the German police were to carry on their duties, and there was to be freedom of circulation, of posts, telegraphs and telephones, and of the Press. Sabotage, however, was threatened with severe repression, and any article, publication, or theatrical representation ' constituting an incitement to disorder or of a nature to impair the honour and the security of the Franco-Belgian troops ' was to be punishable by Council of War. In fact, every grave infraction of the terms of the proclamation was to be ' justiciable du Conseil de Guerre ', while minor infractions were to be punished by imprisonment and fines.

Before the French troops had installed themselves, however, the *Kohlensyndikat*, whose operations the M.I.C.U.M. was to control, had transferred their head-quarters from Essen to Hamburg, and therewith the struggle had begun between the invaders and the local German population. Next day, the challenge was taken up by the German Government itself. In a note of the 12th January,[4] the German Foreign Minister proceeded to ' tear in pieces the veil which the French and Belgian Governments had attempted to cast over the true character of their conduct ' in their identic note of the 10th.

[1] ' The Dariac Report: Ruhr, Rhineland and Saar,' *The Manchester Guardian*, 2nd November, 1922, and 5th March, 1923.

[2] French official communiqué, 11th January, 1923 (*L'Europe Nouvelle*, 20th January, 1923).

[3] Text in *loc. cit.*

[4] Text in Belgian Grey Book, Doc. 9.

He recalled the terms of the Reparation Commission's note of the 21st March, 1922, regarding the penalty for any defaults in deliveries in kind; contested the French interpretation of §§ 17 and 18 of Annex II to Part VIII of the Versailles Treaty, even if these paragraphs had been applicable to the case; and maintained that any action under them had to be taken jointly by all the Powers represented on the Reparation Commission and not by particular Powers on their own account. He stigmatized the Franco-Belgian move as a 'military action' and as 'the gravest possible infringement of German sovereignty'. 'The German Government', he concluded, 'raises a solemn protest before the whole world against the violence which is thus being committed upon a defenceless people. It cannot defend itself against this violence; but it has no intention of accommodating itself to this breach of the peace or of actually co-operating, as is suggested to it, in the Franco-Belgian designs. It rejects this proposal . . . [and] so long as the unlawful situation created by this violent incursion into the centre of Germany's economic life continues and so long as its actual consequences are not removed, Germany is not in a position to make deliveries to those Powers which have brought this situation about.' [1]

[1] The controversy between the French and German Governments regarding the legality of the Franco-Belgian occupation of the Ruhr was continued in a series of notes and other documents, e.g. a memorandum entitled *The Sanctions taken by the French and Belgian Governments and International Law* which was circulated on the 15th February by the German Government to all the foreign missions in Berlin except those of France and Belgium, and a French reply published on the 8th March (Text in *Le Temps*, 10th March, 1923). As between the French and British Governments, the issue appears to have been raised officially for the first time in Lord Curzon's note of the 11th August, 1923 (see p. 334, below). In this survey it is impossible to examine the merits of the legal question—a task which could only be attempted by a first-rate international lawyer and would then require a volume to itself—but it may be mentioned that there were three main points to be decided: (i) Under Part VIII, Annex (ii), § 17 of the Versailles Treaty, was the Reparation Commission entitled to declare Germany in default by a majority vote, or was this one of those questions of interpretation on which unanimity was required? (ii) If Germany had been legally declared in default under § 17, were France and Belgium entitled to take separate action in pursuance of § 18, or could action under this paragraph only be taken jointly by all the Governments represented on the Reparation Commission? (iii) If the taking of separate action by France and Belgium was legal, under § 18, was the particular action which they took (i.e. the occupation of the Ruhr) one of the measures contemplated and permitted in that paragraph, or were those measures limited to 'economic and financial prohibitions and reprisals' (as they would appear to be if the interpretation of the text were governed by the *eiusdem generis* rule of the English Common Law)? In regard to the first of these points, something has been said already in the foot-note to p. 193 of *Survey, 1920–3*. For a fuller discussion of the whole question (especially the position of the British Government), see 'Britannicus', 'A British View of Reparations' (*North American Review*, June 1924);

This last declaration, which was immediately put into effect, brought the Reparation Commission into action. On the 13th January they had decided to postpone to the 31st January the instalment due from Germany on the 15th under the partial moratorium of the 31st May, 1922, pending a decision on the German request for a total moratorium which had been presented on the 14th and 27th November. On the 16th January, however, the Commission decided (the British delegate abstaining) that, whereas since the 13th January, 1923, there had been no delivery of Reparation coal; and whereas the *Reichskommissar* had officially announced, by letters addressed to the French and Belgian Services, that Reparation deliveries would be suspended at once; and whereas the German Live-stock Commission had officially informed the French and Belgian Services that all deliveries on Reparation and Restitution account would be suspended, that the trains ready for dispatch would not leave, and that in fact since the 12th January two trains of cattle and horses had been stopped by the German authorities; whereas this situation was the voluntary and deliberate result of a notification made on the 12th January by the German Government to the French and Belgian Governments, the terms of which had been communicated by the German Government to the Reparation Commission; Germany was in voluntary default in respect of deliveries of coal and cattle due to France and Belgium since the 13th January.[1] On the 26th this was followed up by a further decision (the British delegate again abstaining) that by its declaration of the 13th January the German Government had cancelled its request of the 14th November for a moratorium, which had thus become null and void; that the Schedule of Payments of the 5th May, 1921, was in operation as from the 1st January, 1923; and that Germany was 'in general default' towards France and Belgium.[2]

E. J. Schuster, K.C., 'The Question as to the Legality of the Ruhr Occupation' (*American Journal of International Law*, June 1924); A. D. McNair, 'The Legality of the Occupation of the Ruhr' (*British Year Book of International Law*, 1924); and *Right and Wrong in the Ruhr Valley: A Study of the Legal Aspect of the Franco-Belgian Occupation of the Ruhr* (Anonymous, London, 1923, British Periodicals, Ltd.).

[1] Text in Reparation Commission Communiqué of the 16th January, 1923, and Belgian Grey Book, Doc. 10.

[2] Text in Reparation Commission Communiqué of the 26th January and Belgian Grey Book, Doc. 13. On the 1st February Germany protested against the decision of the 26th January, but on the 3rd February the Reparation Commission decided (the British delegate abstaining) to leave the protest unanswered and to maintain their decision. On the 15th February,

Meanwhile, a spontaneous and general movement of non-co-operation had declared itself among the population of the newly invaded area, of which the following vivid description was given by the invaders themselves.

> Passive resistance consisted, on the one hand, in rejecting collaboration in any shape or form with the French and the Belgians, in refusing all their demands, in not complying with any of their orders, in leaving them to their own resources while, if necessary, yielding them possession of the field at the points where they presented themselves. The mining and metallurgical industrialists refused to appear at the summons of the Commission of Engineers, to answer their questions, to supply them with information, to satisfy their requisitions, and even to open to them the doors of their establishments. The postal, telegraphic, and telephonic employees refused to make any communication to the French and Belgians, to transmit their letters, to sell them stamps and so on. The railway employees refused to run the trains necessary for the troops or to make room in the stations for the occupying authorities. The German officials of all ranks affected to be unaware of the presence of the French and Belgians ; they furnished them with no assistance and no explanations ; they declined all requisition orders. The newspapers refused to publish any documents—whether notices, *arrêtés*, instructions or ordinances—which emanated from the Allied authorities.[1]

This local movement was stimulated by the Berlin Government, to the utmost of its power, in two principal ways. On the one hand, it undertook the financial support of those officials, railwaymen, miners, and industrial workers who lost their means of livelihood in the Occupied Territory, or were actually expelled from its limits, by reason of their refusal to assist the Franco-Belgian Army of Occupation and the M.I.C.U.M. ; and, on the other hand, it prohibited all German citizens from rendering such assistance under threat of severe penalties.

The principal ordinance to this effect, which was dated the 16th March, 1923,[2] forbade the payment or transmission of taxes, duties, or any other monetary contributions to the representatives of a foreign Power or to a *caisse* under a foreign Power's control, upon a demand proceeding from quarters other than those prescribed by German regulations (Art. 1) ; and likewise the application for

the Reparation Commission again declared Germany in default for refusing to continue the restitution of materials and machinery.

[1] *Un An d'Occupation*, pp. 14–15.

[2] ' Verordnung auf Grund des Notgesetzes (Schutz der Finanzen und der Währung) vom 16 März, 1923,' *Reichsgesetzblatt*. No. 21 of the 23rd March, 1923, completed by two further ordinances of the 29th March and the 11th August, 1923 (*Reichsgesetzblatt*, No. 26 of the 4th April, 1923, and No. 73 of the 18th August, 1923).

export licenses or the delivery of securities obtained in payment for exports except from and to the quarters aforesaid (Art. 2). It further forbade the transport of goods between Occupied and Unoccupied Territory in virtue of licenses not conforming to the above conditions (Art. 2). The minimum penalty for contravention of these prescriptions, or for inciting others to contravene them, was to be three months' imprisonment, rising in serious cases to five years' hard labour.[1] In addition there was to be a monetary penalty of at least three times the amount of the value involved. Under mitigating circumstances the penalty might be reduced to one year's imprisonment and/or the monetary penalty, but no maximum for the monetary penalty was laid down. Goods involved were to be confiscated by the state without compensation. The highest public authorities in the *Länder* of the *Reich* were authorized to modify the local jurisdiction of the courts for the purposes of this ordinance. Another ordinance of the 17th April, 1923,[2] in pursuance of Article 48 of the Constitution, authorized the placing of restraints upon the personal freedom of German citizens who might be expected to assist the invading Powers, in order to prevent the entry of such persons into the Occupied or the Invaded Territory, and for this purpose a law of the 4th December, 1916, was revived with the necessary constitutional modifications.

The French and Belgian Governments, on their part, retaliated in two directions.[3] They increased the range and the severity of the new military occupations, and at the same time they applied coercion to the Rhineland, the bridgeheads, and the district on the threshold of the Ruhr which had been occupied on the 8th March, 1921, by a series of ' special ordinances ' of the Inter-Allied Rhineland High Commission.

On the 15th January, in reprisal for the stoppage of coal deliveries, they extended their occupation in the Ruhr Basin from Essen to Dortmund and Bochum. On the 2nd February they enlarged the Kehl Bridgehead so as to cut the Karlsruhe–Basel line.[4] On the

[1] The latter penalty automatically to involve the loss of civil rights.

[2] Text in *Reichsgesetzblatt*, No. 30 of the 20th April, 1923, supplemented by a further ordinance of the 11th August, 1923.

[3] In order to co-ordinate and develop their policy, the French and Belgian Governments held conferences on the 12th March at Brussels, on the 13th–14th April at Paris, and on the 6th June at Brussels. (Official communiqués in Belgian Grey Book, Docs. 16, 18, and 25.)

[4] In reprisal for the suppression, by the German authorities, of the international expresses running from Paris to Prague and Bucarest, which had been done on the plea of shortage of coal owing to the occupation of the Ruhr.

13th February, they occupied the river-ports of Wesel and Emmerich on the right bank of the Lower Rhine below the Ruhr, in order to complete the customs cordon which they had been drawing between Occupied and Unoccupied German Territory.[1] On the 25th February they occupied the two wedges of territory which intervened, on the right bank, between the three bridgeheads of Cologne, Coblenz, and Mainz, on the plea of facilitating the control of customs and suppressing political unrest. This process of Franco-Belgian military encroachment upon German territories exempted from occupation by the Versailles Treaty might have gone still further but for the participation of the Inter-Allied Rhineland High Commission—a move which threatened to produce a further breach between Great Britain and France. Since the withdrawal of the American contingent on the 10th January,[2] the British representative on the Rhineland Commission had been left in a permanent minority *vis-à-vis* his French and Belgian colleagues—a situation of which the French and Belgian Governments had immediately taken full advantage, as will appear below—and on the 2nd and the 26th February the Commission had decided by a majority vote (the British delegate on both occasions abstaining) to extend its jurisdiction over the territories newly occupied by French troops beyond the Kehl Bridgehead and between the three bridgeheads of Cologne,

[1] See below, p. 283.

[2] For correspondence regarding the reimbursement of the costs of the American Army of Occupation in the Rhineland, including the agreement signed on the 25th May, 1923, see British White Paper, *Cmd.* 1973 of 1923.

Under the agreement of the 25th May, which was signed by representatives of the United States of the one part and of the Principal European Allied Powers of the other, the method of reckoning the net costs of occupation incurred by the United States was laid down (Art. 1) and it was arranged that the net amount due should be paid off in twelve equal yearly instalments beginning on or before the 31st December, 1923—each annual instalment up to the 31st December, 1926, to enjoy priority on Germany's Reparation account (but not over the current costs of occupation of the Allied Powers, which ranked before Reparation) exclusive of certain deliveries in kind. During these first three years the annual payment to the United States was not to exceed 25 per cent. of Germany's total payment on Reparation account in any given year, but on the other hand those deliveries in kind which were excluded from the American costs of occupation priority were to be earmarked to meeting the current costs of occupation of the Allies, so as to leave over the largest possible credits for the Reparation account (Art. 2). The agreement was to be reconsidered in favour of the United States in the event of any unexpected anticipatory payments on Germany's part (Art. 3). The agreement was also to be abrogated at the desire of the United States upon three months' notice, if at any time the arrears due to the United States reached a total such that the Government of the United States considered that there was a risk of its not being paid within the prescribed period of twelve years (Art. 6).

Coblenz, and Mainz. This action apparently evoked from the British Government some intimation that, if the policy of extending the jurisdiction of the Rhineland Commission beyond the limits laid down by the agreement of the 28th June, 1919,[1] were further pursued, Great Britain would withdraw from the Commission. At any rate, a change of policy [2] on the French side (to whatever motive it may have been due) was indicated by the two fresh decisions of the Rhineland Commission, taken respectively on the 8th and 15th March, by which the districts in question were re-transferred from the Inter-Allied civil jurisdiction of the Commission to the French military control of General Degoutte.

This attempt to extend the domain of the Rhineland Commission was a logical step in the policy of which the Commission had become the instrument since the withdrawal of the American contingent and the beginning of the German passive resistance. The history of the Rhineland—or rather, its relative happiness in having no history—from the coming into force of the Versailles Treaty down to this point has been described in the preceding volume ; [3] but the Franco-Belgian invasion of the Ruhr inevitably disturbed the good relations which had on the whole subsisted between the Inter-Allied authorities and the Germans in the territory under lawful occupation. The Rhinelanders were not only affected by the wave of unrest which swept over the entire German nation at the news of the invasion of the Ruhr, but they were faced with the practical necessity of taking sides on a number of concrete issues. When the Ruhr railwaymen, for example, were striking, should the Rhenish railwaymen assist the French invaders of the Ruhr by maintaining their lines of communication for them ? And when the Berlin Government had forbidden all German nationals to co-operate with the French and Belgian authorities so long as the occupation of the Ruhr continued, were the Rhinelanders to disobey ? The Rhinelanders, whose position had been alleviated hitherto by the fact that it rested upon an agreement between their own Government and the Governments of the Occupying Powers, were bound to suffer by the breach between two of those Governments and Berlin, and possibly it was inevitable—once the struggle of wills had begun in the Ruhr—that in the Rhineland the Inter-Allied Commission should somewhat

[1] See *Survey, 1920–3*, p. 101.

[2] On the 3rd March there were two further encroachments by French troops in the harbours of Karlsruhe and Mannheim and the railway works at Darmstadt, but these were technically justifiable under arrangements existing before the 11th January, 1923.

[3] See *Survey, 1920–3*, pp. 100–4.

increase the stringency of its control. By Article 3 of the Rhineland Agreement of the 28th June, 1919, the Commission had been empowered to issue ordinances of such a nature ' as might be necessary for securing the maintenance, safety, and requirements ' of the Armies of Occupation, and one of the criticisms to which the Franco-Belgian invasion of the Ruhr was open was that it had made the Inter-Allied occupation of the Rhineland more precarious. From the moment, however, when passive resistance in the Ruhr began, the French and Belgian Governments made use of their majority vote [1] on the Commission for purposes which were entirely outside the Commission's terms of reference. They used it, in fact, in order to carry the struggle into the Rhineland and to apply there, through this Inter-Allied instrument, the measures of coercion which General Degoutte was applying in the Ruhr. The first ordinance of this character,[2] which was promulgated by the Rhineland Commission on the 13th January, 1923, decreed that ' the Inter-Allied Coal Commission set up at Essen and actually replacing the *Kohlensyndikat* in the performance of its functions should be recognized as extending its supervision to the territories placed under the jurisdiction of the High Commission ', on the ground that a ' normal distribution of coal was essential for the maintenance of public order in the Occupied Territories as well as for the requirements of the Armies and the primary needs of the population '. This was an attempt to bring the ordinance within the terms of the agreement of the 28th June, 1919, but on the next occasion a new formula was found, and the Franco-Belgian policy in the Rhineland was thenceforth developed in a series of ' special ordinances ', ' in pursuance of instructions received by certain of the High Commissioners from their respective Governments as a result of the voluntary default on the part of Germany established by the Reparation Commission.' [3]

The intention of this policy was to assimilate the status of the Rhineland to that of the Ruhr and to weld the two areas into a single province under Franco-Belgian domination. The French and Belgian Governments maintained throughout that in pursuing this

[1] Though it was doubtful whether ordinances passed by a majority vote, and not unanimously, were really valid.

[2] No. 131 (Text in the *Official Gazette* of the Inter-Allied Rhineland High Commission, January–March, 1923).

[3] On the 20th January, 1923, the Rhineland High Commission set up (by special ordinance No. 135) five committees (for Customs, Import and Export-Licenses, Forests, Coal and Mines, and Accounting respectively) to insure the execution of the previous special ordinances Nos. 132, 133, and 134 of the 18th January.

course they were merely retorting to the German policy of economic obstruction, and that they had no ulterior political aim of detaching this block of territory from Germany—still less of virtually annexing the territory themselves. Even after the outbreak of the so-called 'Separatist Movement' towards the close of the year,[1] the French and Belgian Governments insisted officially that they themselves were observing neutrality in a conflict which they represented as a spontaneous collision between two German parties, and they never avowed that they had taken any hand in the affair. Many observers of other nationalities, however, were convinced at the time that France and Belgium were pursuing definite political objects in the Rhineland and the Ruhr which went far beyond the alleged financial objectives of the measures that were being taken; and, whatever the purpose of the French and Belgian Governments may have been, the undoubted effect of their policy was to extend the struggle which had begun on the 11th January at Essen from the Ruhr to the Rhineland and to invest it everywhere with a markedly political character. Thus, in following the history of the struggle, it is necessary to regard the Ruhr and the Rhineland as a single unit, although the identical measures taken by France and Belgium in the two sub-areas were taken through the two different agencies of the Franco-Belgian military High Command in the one case and the Inter-Allied civil High Commission in the other.

There was one anomaly, however, which seriously handicapped France and Belgium and correspondingly increased the tension between those two Powers and Great Britain. Under the existing régime in the Rhineland, while the civil control vested in the Rhineland Commission extended legally over the whole area occupied by Allied troops, the actual military occupation was maintained by contingents of French, Belgian, and British troops in separate geographical zones, in each of which the execution of the Commission's ordinances was left for the most part to the national military authorities of the particular Occupying Power. Thus it happened that the greater part of the 'special ordinances' passed by a majority of the Commission over the British delegate's head remained a dead letter as far as the British Zone was concerned. The juridical bearings of this situation remained obscure,[2] for the Governments concerned refrained from putting them to the test:

[1] See Section (iii), below.

[2] See, however, the anonymous pamphlet: *Right and Wrong in the Ruhr Valley*, Ch. VII.

but the non-execution of the new Franco-Belgian policy in the British Zone had important practical results. As a close and constant reminder of the British Government's disagreement with that policy, it raised the *moral* of the German population in the other parts of the Occupied Territories and so strengthened their resistance ; and it also placed serious technical obstacles in the French and Belgian Governments' way. The British Zone happened to intervene geographically between the French and Belgian Zones and also between the French Zone (and the French base of operations in France itself) and the Ruhr. The railways in the British Zone were therefore of vital importance to France and Belgium in the new situation, but the local British authorities omitted to execute the special ordinances of the Inter-Allied Commission in regard to the railways,[1] which in this zone therefore continued to be administered by a German *personnel*.[2]

From the point of view of the German population of the Occupied Territory, who bore the brunt of the struggle, the British Zone was an oasis in a wilderness of trouble. In the remainder of the Rhineland and the Ruhr, where from January to September 1923 the inhabitants were subjected to constantly increasing pressure from the French and Belgian Governments on the one side and from their own Government on the other, the human suffering caused by the struggle was very great.[3] The French High Command reckoned [4] that in the Ruhr alone, within the first twelve months of occupation, ' the Allies had killed 76 persons and wounded 92 (either in reply to acts of aggression, or in order to exact respect for their passwords) ; the Germans had killed 20 Allied soldiers and wounded 66 as a result of murderous assaults and ambuscades ; finally, the Germans had killed 300 and wounded more than 2,000 of their compatriots in order to teach them the beauty and the necessity of passive resistance ' ; and these figures were exclusive not only of casualties arising from collisions between the German population and the

[1] See below, pp. 285–6.

[2] On the 19th February a working agreement was arrived at by the French and British Governments, under which the corner of the British Zone traversed by the line connecting Trèves (via Gravenbroich) and Düren was transferred to the French, while, in the remainder of the British Zone, French military transports were to be permitted in quantities corresponding approximately to the requirements of the French troops which had been stationed to the north of Cologne (e.g. in the district occupied on the 8th March, 1921) before the beginning of the occupation of the Ruhr (see *The Times*, 21st February, 1923).

[3] See statements in J. King, *op. cit.*, *passim*.

[4] *Un An d'Occupation*, pp. 22–3.

Armies of Occupation in the Rhineland during the same period, but of the heavier mortality and destruction which were the fruits of 'Separatism'. Apart from this bloodshed, there were wholesale expulsions of German citizens domiciled in the Occupied Territory; trials by courts martial resulting in heavy fines and terms of imprisonment; dismissals from official positions, from service on the railways, and from employment in mines taken over by the M.I.C.U.M.; requisitionings of schools and other public buildings; seizures of money and other property in private hands; severe censorships upon the transmission of information and the expression of opinion; and interdictions upon the circulation not only of goods but of travellers between Occupied and Unoccupied Territory.

During the first five months of the year 1923, 5,764 railwaymen with 17,237 dependents were reported to have been expelled from the Rhineland and the Ruhr, sometimes at an hour's notice, without permission to remove or dispose of their property and too often without consideration for the age, sex, and bodily condition of the dependent members of the deported households. In all, it was reckoned that 147,020 German citizens were expelled during the eleven months January to November (inclusive) from the Ruhr alone, of whom 46,292 were State employees and officials with their families—from the highest officials down to railway and postal workers. It was also estimated that over 7,000 expulsions were carried into effect after passive resistance had been abandoned.[1] The most sensational trial by court martial was that of the Directors of Krupp's, on the charge of obstructing the Army of Occupation and disturbing the public peace, which was conducted on the 4th–7th May at Werden and ended in condemnations to sentences varying from fines of 100,000,000 marks [2] to ten or fifteen years' imprisonment. On the 18th February the Burgomasters of Essen and Oberhausen had already been tried by court martial on similar charges and had been condemned to two years' imprisonment with a fine of 5,000,000 marks and to three years' imprisonment respectively. By the end of February, every city and town in the Ruhr had lost its Chief Burgomaster, with four exceptions.[3]

It is instructive to note how the martial law administered in the newly occupied areas by the Franco-Belgian military authorities was rivalled in severity by the special ordinances of the Rhineland

[1] J. King, *op. cit.*, pp. 17–18.

[2] The average rate of the mark in London during May 1923 was 2,139,000 to the £ sterling.

[3] *Op. cit.*, pp. 13–14.

Commission. For example, it was decreed by Ordinance No. 144 of the 22nd February that every German official deported under a previous ordinance [1] was *ipso facto* to be dismissed from office ; by Ordinance No. 145 of the 26th February that ' any sentence of imprisonment for a term exceeding five years may be served in a penal establishment belonging to the State to which the Court which shall have passed such sentence shall be subject, if the Commander-in-Chief of the Army to which such Court shall belong shall so decide ' ; [2] by Ordinance No. 146 of the same date that the normal maximum penalties for disobedience to the Commission (apart from the heavier penalties prescribed for particular offences by an increasing number of special ordinances) should be increased to a fine not exceeding 5,000,000 marks and/or imprisonment not exceeding five years ; by Ordinance No. 147, also of the same date, that sabotage on railways, if causing or likely to cause a fatal accident, should be punished by death.[3] Particularly significant were Ordinances No. 140 of the 2nd February and No. 156 of the 22nd March ' regarding the protection granted by the High Commission to officials, employees, and private individuals who shall have observed the special ordinances of the High Commission ' and ' regarding the protection of nationals of the Powers participating in the occupation and of persons in the service of the authorities of occupation or having relations with such authorities '. The maximum penalty of a fine not exceeding 50,000,000 marks and/or imprisonment for a term not exceeding five years, which was laid down in Ordinance No. 140, was applicable not only to any persons instituting legal proceedings (in German courts) against the persons to be protected but against ' any person who by means of duress, threats or any other means shall induce any German official, employee, or private individual not to obey the Ordinances '. By Ordinance No. 156, any person assaulting, threatening, inciting, or committing reprisals against certain broad categories of persons under elastically formulated conditions was to be ' amenable to the

[1] Ordinance No. 125, Art. 9 (i), which had been issued before the inauguration of the new policy.

[2] Under the Rhineland Agreement of the 28th June, 1919, sentences of imprisonment in the Occupied Territory were to be served in German prisons, except as might be otherwise provided by the Rhineland Commission.

[3] Commutable by the Court to penal servitude for life, or for not less than ten years, which was also to be the penalty for sabotage resulting in serious interruption of communications without danger to life. Another article rendered heads of departments in the German railway service liable to heavy penalties for negligence in preventing sabotage by their subordinates.

military Courts of the respective Armies of the Powers participating in the Occupation and liable on conviction to the penalties provided by the respective laws of such Powers or, if such acts shall not be punishable by such laws, to the penalties provided for offences against the Ordinances of the High Commission'. Ordinance No. 192 of the 5th July prescribed penalties for 'any person who shall contest the binding effect of an ordinance of the High Commission', either orally or in writing, with a view to influencing other people. Ordinance No. 217 of the 18th October decreed that if fines imposed by a military court were not paid by the prescribed date, the defendant's cash, chattels, furniture, and professional apparatus should be distrained upon, his immovable property sequestrated and the rents and profits thereof applied to the extinction of the debt. Ordinance No. 218 of the same date extended this procedure to the recovery of all sums payable to the Rhineland Commission or to its agents.

These efforts on the part of the French and Belgian Governments to break the wills of individual German citizens by martial law in the newly occupied territories and by the special ordinances quoted above in the domain of the Rhineland Commission were incidental to the economic struggle over M. Poincaré's 'productive pledges', which was fought out between January and October.[1] After the departure of the *Kohlensyndikat* from Essen and the installation of the M.I.C.U.M., and the suspension of deliveries in kind to France and Belgium on the part of the German Government, the German coal-owners in the Ruhr refused either to make direct Reparation deliveries of coal to the M.I.C.U.M. on their own responsibility or to pay over to the French authorities the coal-tax which the German Government had levied hitherto.[2] The first retort to this, on the French and Belgian side, was to prevent the export of Ruhr coal to the Unoccupied Territory. This step was announced to the German Government by Paris and Brussels on the 30th January;[3] on the same date a Franco-Belgian *personnel* took over the German Customs

[1] See *Un An d'Occupation, passim.*

[2] The Rhineland was involved in this struggle from the outset in virtue of Ordinances No. 131 of the 13th January, which extended over it the jurisdiction of the new Inter-Allied Coal Commission at Essen, and No. 132 of the 18th January, which decreed the seizure of the coal-tax in the Rhineland also. The most important ordinance, however, from this point of view, was No. 138 of the 25th January, by which the Rhineland was brought within the domain of the M.I.C.U.M. for all purposes and the relations between that body and the Rhineland Commission were defined.

[3] Belgian Grey Book, Doc. 14.

Offices at Düsseldorf and Duisburg and the control-stations in the newly occupied territory ; and between the 2nd and 12th February [1] a continuous customs cordon, from Wesel to Düsseldorf, was drawn along the line dividing Occupied from Unoccupied Territory on the right bank of the Rhine.[2] From the 15th February onwards no goods were allowed to leave the Ruhr for the Unoccupied Territory without a licence from the Franco-Belgian customs authorities at Essen,[3] and on the 20th February the whole remaining German customs staff was dismissed with the option of re-engaging in the Franco-Belgian service on the Occupying Powers' conditions. The German population and authorities refused to recognize this Franco-Belgian customs cordon ; but, since it was difficult to evade it to any considerable extent,[4] the mines and factories within the cordon, so long as they continued their production, were compelled to accumulate stocks ; and although that policy effectually prevented the customs cordon itself from becoming financially productive until after passive resistance had been abandoned,[5] it answered the purpose of the M.I.C.U.M., which was to prevent the coal which the Ruhr industrialists refused to deliver from permanently escaping its clutches. An embargo was placed upon the stocks of coal

[1] Meanwhile, on the 10th February, Berlin was informed by Paris and Brussels that the export of metallurgical and other manufactured products from the Ruhr to the Unoccupied Territory was likewise to cease (Belgian Grey Book, Doc. 15).

[2] In the domain of the Rhineland Commission, the customs receipts along the western frontier of Germany were seized as pledges by Ordinance No. 133 of the 18th January and the collection of them was placed under the control of the Customs Managing Committee established by Special Ordinance No. 135 of the same date.

[3] It is only fair to mention that apparently the Franco-Belgian customs authorities never hindered the transport of foodstuffs between Occupied and Unoccupied Territory, or collected duties on them.

[4] In virtue of the Rhineland Commission's Ordinance No. 136 of the 20th January, a similar cordon was established along the whole eastern boundary of the territory occupied under the Rhineland Agreement, on either flank of the Ruhr cordon, in order to prevent smuggling into Unoccupied Territory from the Ruhr via the Rhineland. The export of goods without licence from the Rhineland to the Unoccupied Territory was prohibited by Ordinance No. 143 of the 12th February.

[5] The insufficient customs receipts in the newly occupied territory were augmented by a duty on wines and tobaccos which the Franco-Belgian customs authorities succeeded, after a struggle, in imposing upon the private German dealers. From the 25th June onwards, licences were required for and duties levied upon goods entering the Occupied from the Unoccupied Territory. On the 28th August, traffic across the cordon was completely suspended for a month in reprisal for sabotage. In the Rhineland, duties, provisionally fixed at 25 per cent. of the Inter-Allied customs tariff on the western frontier of Germany, were imposed on goods crossing the eastern cordon from Unoccupied Territory by Ordinance No. 183 of the 12th June.

accumulating at the pit-head, and likewise (on the 8th June) upon the products of factories belonging to firms which also possessed coal-mines and which had refused to pay the coal-tax on the produce of these mines to the Franco-Belgian authorities. The stocks of coal were then seized and transported to France and Belgium in such amounts as the invaders could handle, on account of Reparation deliveries, while the sequestrated articles of manufacture were sold by the M.I.C.U.M. for its own benefit on account of the coal-tax.[1] As another means of enforcing payment of the tax, the transport of coal on which it had not been paid was prohibited even within the area, and eventually, on the 18th April, the military authorities decreed the seizure on this account of any funds belonging to coal-mines in newly occupied territory, whatever the origin or destination of these funds might be. Meanwhile, from April onward, the accumulation of coal-stocks which had been taking place since the 15th February was virtually brought to a standstill by the cessation of work in the mines, and in order to insure against the depletion of the reserves already above ground the M.I.C.U.M. began in August to work mines on its own account by direct exploitation. The existing German *personnel* of these mines was given the choice between working for the M.I.C.U.M. and expulsion, and the places of recalcitrant German workers were taken by foreigners ; but even when the M.I.C.U.M. had laid hands on the accumulated stocks, and had staffed several mines with its own *personnel* in order to maintain production,[2] it had still to surmount the greatest difficulty which confronted it. To be of value to France and Belgium the coal must be transported from pit-head in the Ruhr to French and Belgian territory, and this brought the invaders into collision with the German railwaymen.

The railway system of the Ruhr Basin was perhaps the most intricate in the world, and the average volume of traffic per mile of permanent way which it carried before the Occupation was unequalled. On the Ruhr and the Rhineland systems taken together,

[1] In the Rhineland, stocks of coke and of by-products of coal were sequestrated by Ordinance No. 172 of the 12th May (which was cancelled after the abandonment of passive resistance by Ordinance No. 233 of the 17th December). For the collection and assessment of the coal-tax in the Rhineland see No. 132 of the 18th January, No. 148 of the 1st March, and No. 194 of the 12th July. By Nos. 153 and 154 of the 15th March, and Nos. 169 and 170 of the 7th May, goods ordered from the German Government or from German nationals in pursuance of the Versailles Treaty or of subsequent agreements regarding deliveries in kind were subjected to seizure notwithstanding the terms of the Wiesbaden Agreement.

[2] Only nine mines in all were taken over.

the average daily traffic had been 375,000 tons of goods dispatched per working day and 400,000 passengers carried.[1] The total staff amounted to 170,000 persons, and it was evident that these railwaymen could embarrass the invaders more seriously by non-co-operation than any other single group of workers in the Occupied Territory, even the miners themselves. On the 20th January the management of the German State Railways in the newly occupied territory refused to execute the orders of the Franco-Belgian authorities, while, in the Rhineland, the managements ordered their staffs not to handle coal or coke *en route* from the Ruhr to Belgium or France, and not to co-operate in any measures connected with the establishment of the new customs cordon. The Berlin Government had undertaken to finance strikes, and a number of local strikes broke out in succession. From the first day of the new occupation, however, the French and Belgian Governments had been drafting in railway-units of the French and Belgian Armies, and on the 30th January, when they had a skeleton service of their own in readiness, they issued an ultimatum to the German railwaymen either to execute their orders punctually or to quit. The immediate result was a total strike on the part of the German staff, and from the beginning of February until the 17th March the Ruhr-Rhineland railway system was worked by 12,500 French and Belgian technical troops with 1,380 German auxiliaries. When these figures are compared with those of the previous German staff, and when it is borne in mind that familiarity with local conditions is almost essential for the successful maintenance of a railway service, it will be realized that this change of hands involved an almost total paralysis of the railway system in the Occupied Territory. The invaders managed to maintain their own military communications, to insure the food supply of the civilian population and to transport a much reduced volume of Reparation coal to the French and Belgian frontiers, and from their point of view this was a triumphant *tour de force*.[2] Nevertheless, the reduction of traffic on the railways gave a better measure than anything else of the damage inflicted upon the economic life of Western Europe by the Franco-Belgian invasion of the Ruhr.

Meanwhile, by Ordinance No. 149 of the 1st March, the Rhineland

[1] *Un An d'Occupation*, p. 42.

[2] They had also to co-operate with the Franco-Belgian Customs Service in isolating the Occupied from the Unoccupied Territory, and to act on behalf of the M.I.C.U.M. in seizing coal and other requisitioned commodities for transport to France and Belgium.

Commission 'substituted for the German Railway Department, which had made default', a railway administration of the Occupied Territories charged with the administration and the technical, commercial, and financial working of such railways; and the domain of this *Régie*, which was installed at Coblenz under the management of a French director with one Belgian and one French assistant director, was extended by the Franco-Belgian High Command to the Ruhr; but the introduction of this civil régime in place of the provisional military organization failed to improve the situation. Although the *Régie* was empowered 'to dismiss the *personnel* either as a body or individually and to engage other *personnel*', and the German railwaymen who refused to work for the *Régie* were expelled from the Occupied Territory and their houses handed over to a new staff recruited in France, Belgium, or other foreign countries, only 400 Germans had consented to enter the *Régie's* service by June; and by the 1st December, when the struggle was terminated in this field by the signature of an agreement between the Franco-Belgian *Régie* and the Management of the German State Railways, the average daily volume of traffic had only reached 100,000 tons and 180,000 passengers as against the 375,000 and the 400,000 of the period before the 11th January.

The German passive resistance in the various fields of the M.I.C.U.M., the Customs and the Railways, of which a brief account has been given above, was maintained successfully for approximately six months; but the German Government betrayed its exhaustion in a note dispatched to the Reparation Commission on the 11th August, in which it announced, in terms as conciliatory as possible, that deliveries in kind even to countries not participating in the new occupation would cease thenceforward;[1] and on the 14th August Dr. Stresemann, who had meanwhile succeeded Dr. Cuno as Imperial Chancellor, declared in his inaugural speech in the *Reichstag* that Germany would be willing to abandon passive resistance on the three conditions that German (administrative and economic) control should be restored in the Ruhr, that the Versailles Treaty régime should be re-established in the Rhineland, and that all German citizens who had been imprisoned or deported during the struggle should be released and allowed to return to their homes and occupations. It was significant of the straits to which the German Government had been reduced[2] that the new Chancellor did not

[1] Text in Reparation Commission Communiqué of the 13th August, 1923.
[2] The following table, reproduced from the Reparations Supplement of the

mention the evacuation of the newly-occupied territories by the Franco-Belgian forces. On the 27th September, President Ebert signed a decree[1] cancelling all regulations and orders in support of passive resistance in the Ruhr which had been enacted by the German Government.[2] On the following day, this step was communicated officially to the Allied diplomatic representatives at Berlin by Dr. Stresemann. On the 28th September, the ordinance of the 13th January suspending Reparation deliveries to France and Belgium was likewise withdrawn. Thus the German Government had abandoned the struggle unconditionally before attempting to open negotiations for a *modus vivendi* in the Ruhr with the two Occupying Powers. A first move in this direction was made by the German diplomatic representatives at Brussels and Paris on the 9th and 11th October respectively, but M. Poincaré rejected the idea of negotiations between the Governments at this stage.[3] The abandonment of passive resistance, he told the German Ambassador, should find expression simply in local arrangements between the Occupying Authorities and the population of the Occupied Territory, and in fact private negotiations of this kind had begun already.

London *Economist* of the 31st May, 1924, shows the monthly averages of daily rates of the mark on the London market during 1923:

	1923.
January	81,200
February	130,300
March	99,100
April	113,700
May	213,900
June	504,400
July	1,854,100
August	19,800,000
September	481,000,000
October	13,900,000,000
November	22,300,000,000
December	18,900,000,000

[1] Text in *Reichsgesetzblatt*, No. 91 of the 28th September, 1923. On the same date, martial law was proclaimed throughout the *Reich*, while in Bavaria Dr. von Kahr was appointed dictator. The tension between the Governments of Berlin and Munich during the following months does not come within the purview of this volume, since it was an internal affair of Germany, but it greatly contributed to the weakening of Germany's international position.

[2] The regulations passed, not by the Government as a whole, but by particular departments such as the Ministry of Transport and the Ministry of Posts and Telegraphs, were withdrawn simultaneously by those departments themselves.

[3] On the 22nd December, 1923, however, the French and Belgian Governments did conclude agreements with the German Government regarding the resumption of suspended deliveries in kind. Similar agreements were concluded with Italy on the 23rd December, 1923, and with Jugoslavia in March, 1924 (the *Deutsche Allgemeine Zeitung*, 13th March, 1924). The German-Jugoslav negotiations, which were conducted at Belgrade by Herr Kunze, were distinctly friendly (*Le Temps*, 27th February and 4th March).

On the 8th October a direct agreement for coal deliveries had been concluded between the M.I.C.U.M. and the Wolff industrial group in the Ruhr, in spite of pressure exercised upon the Wolff group from Berlin. On the 16th October—five days after M. Poincaré's reply—similar negotiations were opened with Herr Stinnes and other representatives of the Ruhr *Bergbauverein*, who controlled between them 80 per cent. of the production of the Ruhr; on the 1st November, Herr Krupp von Bohlen signed an agreement for coal deliveries with the Rhineland Commission; and by the 14th November a draft agreement between the M.I.C.U.M. and the *Bergbauverein* was practically ready for signature. On the 16th, however, the German Government informed Herr Stinnes and his colleagues that they could look for no indemnity or reimbursement from the *Reich* on account of payments and deliveries under the projected agreement unless the French and Belgian Governments undertook, on their side, to place all the proceeds of the agreement to the German Government's credit on account of Reparation. The Franco-Belgian negotiators refused this demand on the ground that they must first reimburse themselves for their additional costs of occupation; the negotiations were broken off; and the industrialists threatened a general lock-out with all its possibilities of social upheaval; but at this point the solidarity between the Ruhr capitalists and the workers (who had suffered to the limits of their endurance) began to break down; on the 21st November negotiations were resumed; and on the 23rd a standard agreement was signed which was to run to the 15th April, 1924, and in which the ultimate settlement of the Reparation account was left in suspense.

This standard agreement [1] was to be followed immediately by separate agreements, on the same terms, with the particular firms, but the terms were to lapse unless accepted in full by 80 per cent. of the mines within ten days [2] (Art. 1). The coal-tax owing to the *Reich* and claimed by the M.I.C.U.M. for the period from the 1st January to the 1st November, 1923, was to be met by a total payment to the M.I.C.U.M. of 15,000,000 United States dollars from all the mines together, less the net profit realized by the M.I.C.U.M. on goods already liquidated on account of the coal-tax for this period (Art. 2).[3] For the next period, ending on the 31st December,

[1] Text (but without the annexes) in *L'Europe Nouvelle*, 1st December, 1923.
[2] This condition was fulfilled.
[3] Ten per cent. of the net amount due was to be paid within fifteen days in cash, and the rest in bills of from two to six months, accepted by banks approved by the M.I.C.U.M.

1923, the tax was to be at the rate of 10 francs or of not more than 8·3 marks (gold) per ton sold in Occupied or Unoccupied German Territory, with exemption from tax for coal consumed on the premises by the firms themselves (up to 12 per cent. of production) and for coal furnished for Reparation or for military and other requirements of the Allies in Occupied Territory (Art. 3). For the period beginning on the 1st January, 1924,[1] coal deliveries on Reparation account were prescribed in a table (Annex 2) which worked out at a general figure of 27 per cent. of ' utilizable production '. It was stipulated that there should be no payment for those deliveries (Art. 4). The M.I.C.U.M. took the right to commandeer coal for the Railway *Régie* at prices to be fixed by the M.I.C.U.M. up to 15 per cent. of the total production of the mines (Art. 5). The coal-owners undertook to supply the needs of the Armies of Occupation and other Allied Services (Art. 6), and these needs, together with the supplies for the *Régie* and the Reparation deliveries, were to enjoy priority (Art. 7). Control was to be maintained by the M.I.C.U.M. not only over the deliveries due to the Allies but over the general distribution of the products of the mines (Arts. 8–10). Stocks extracted before the 1st October were to remain the property of the M.I.C.U.M. (Art. 11). Stocks of metallurgical products and of by-products of coal, at present under embargo, were to be liberated progressively from embargo as arrears of coal-tax were paid off (Art. 12). The tonnage of metallurgical products which might be exported to Unoccupied Territory or abroad was to be rationed (Art. 15). So long as the agreement was observed by the coal-owners, the M.I.C.U.M. undertook not to seize any more mines for direct exploitation, though the question of restoring the mines already seized was reserved for future settlement (Art. 18). The net profits realized by the agreement were to be credited to Germany on Reparation account in accordance with the Versailles Treaty, but the sums received were to be paid into the Franco-Belgian *Caisse des Gages*, and it was recorded that ' without prejudice to the decision which will be taken in this matter by the Reparation Commission, the French and Belgian Governments draw, and will continue to draw, upon the *Caisse des Gages* for the sums required in order to refund the costs of the Ruhr operation ' (Art. 17). It was expressly stated, however, that ' the clauses of the present arrange-

[1] The full deliveries were not to come into force until the 15th January, the first date on which any payments in respect of the period beginning on the 1st January fell due.

ment in no way prejudice the definitive settlement to be reached on the Reparation Question '.

On the 30th November the German Government protested against this agreement in a note addressed to the Reparation Commission.[1] Nevertheless, the great majority of the mines duly subscribed to the standard agreement of the 23rd November, and negotiated separate agreements in accordance with it; the lignite mines (though they were mostly situated in the Cologne Area under British occupation) signed an analogous agreement on the 29th December;[2] and a special agreement[3] was concluded regarding deliveries of by-products.

On the 1st December an agreement was signed at Mainz[4] by the Franco-Belgian Railway *Régie* and the Management of the German State Railways (subject to the approval of the German Government) establishing a *modus vivendi* between the two organizations.[5]

On the 14th December the *Régie* followed up this success by signing a provisional agreement with a representative of the British military authorities in the Cologne Area for the co-ordination of traffic between the railways taken over by the *Régie* and those remaining under German management in the British Zone.[6] The French Government, however, refused to ratify this agreement, demanding instead that the railways in the British Zone should be handed over to the *Régie* altogether, and on the 18th January, 1924, the *Régie* took action which was described at the time as virtually amounting to a blockade of the British Zone.[7] For a few weeks it

[1] See *Le Temps*, 2nd December, 1923.

[2] For details see the *Deutsche Allgemeine Zeitung* and *The Times*, 1st January, 1924.

[3] Provided for in the Standard Agreement of the 23rd November, 1923, Art. 4.

[4] The negotiations had been started on the 11th October, suspended, and then resumed on the 12th November.

[5] The most important feature of this *modus vivendi* was that, while the Franco-Belgian *Régie* was to remain in being in the Unoccupied Territories, the distribution and circulation of rolling stock in both Occupied and Unoccupied Territory was once more to be controlled by the Management of the German State Railways on the same working basis as before the 11th January, 1923—the whole rolling stock being recognized as the property of the *Reich*.

[6] The most important feature in this agreement was the arrangement for distributing receipts on account of through-bookings as between the *Régie* and the local German railway administration in the British Zone. The terms of this arrangement were markedly favourable to the *Régie* (see *The Times*, 15th January, 1924).

[7] 'The *Régie* has to-day "declared war" on the British Zone by announcing a blockade of everything except foodstuffs and military transport. Its proclamation runs:

(1) Only military transports, foodstuffs and raw materials may be accepted for dispatch to stations in the British Zone.

looked as though the struggle between French and Germans in the Occupied Territory, which had just ended, was to be succeeded by a struggle between French and British in the same area; but happily, at a meeting of the Rhineland Commission on the 8th February, a *procès verbal* was adopted by which the agreement of the 14th December was brought into operation as a *modus vivendi*.[1]

Thus, by the beginning of the year 1924, the struggle of wills in the Occupied Territory had come to an end; but it was impossible for the time being to cast up even an approximate balance of losses and gains. On the German side, there were the acute sufferings of the population of the Occupied Territory, the complete devaluation of the mark (which was equivalent to a revolutionary redistribution of the national wealth, entailing grievous hardships for all but a tiny fraction of the nation), the utter disorganization of the country's economic life by the forcible isolation of territories economically indispensable to one another, and alarming symptoms of political disintegration (manifested not so much in the artificial 'Separatist Movement' in the Occupied Territory as in the spontaneous particularist movements in Communist Saxony and Fascist Bavaria). These losses represented an incalculable destruction of German happiness and prosperity, but what Germany had lost had by no means been gained by her adversary. If the mark had become valueless between January 1923 and January 1924, the franc had lost nearly a quarter of its value during the same period [2] and was to suffer still more alarming fluctuations during the following year. Indeed, it was only to be expected that the annihilation of Germany's credit should impair the credit of France, for, if Germany were irretrievably ruined, how was France to meet the vast liabilities

(2) No other classes of goods may on any account be forwarded and are to be refused.

(3) The reception of goods of any sort from the British Zone destined for stations in our area, or for transit through it, is strictly forbidden, except for certain quantities of brown coal.

The order is prefaced with the remark that it is issued "since the negotiations in regard to through traffic with the British Zone will shortly have a definite result".' (*The Times*, 19th January, 1924.)

[1] See *The Times* and *Le Temps*, 24th January, 1924, and *The Times*, 1st February, for the effects of the blockade; and *The Times* and *Le Temps*, 11th February, for the settlement of the 8th February.

[2] French francs to the £ sterling:

14th January, 1923	. . .	67·15
1st January, 1924	. . .	84·45 to 84·80
14th January, 1924	. . .	92·35 to 98·25 (the lowest point during
31st January, 1924	. . .	91·65 to 92·75 the month)

which she had incurred on her 'Extraordinary Budget' in anticipation of receiving Reparation? Even if the Franco-Belgian balance-sheet for the first year of the occupation of the Ruhr were correct,[1] a net profit of 479,195,000 francs at the current exchange, on which the Reparation Commission had the first lien, was little to show in compensation for the possibly permanent impairment of Germany's future capacity to pay. Nor could France and Belgium comfort themselves with the M.I.C.U.M. Agreement of the 23rd November; for this agreement had been signed by the Ruhr industrialists under duress; it remained to be seen whether it was physically possible for them to carry it out; and, even if they did carry it out, the French and Belgian Governments had still to settle accounts with the other Powers represented on the Reparation Commission before they could dispose of the proceeds. To all unbiassed and competent observers it was evident by the close of the year 1923 that M. Poincaré's policy had not only impoverished Germany but had gravely retarded the economic recovery of the whole of Western Europe, and had therefore incidentally clouded the economic prospects of France and Belgium, of the other Allied Powers entitled to Reparation, and in fact of every country in the West European orbit.

This conclusion was vigorously contested by the French, but at the same time their satisfaction over the results of the struggle rested mainly on other than economic grounds:

> Incontestably we have gained a material victory, but we have also gained a moral victory of perhaps even greater importance. The truth is that the occupation of the Ruhr has profoundly modified the mentality of the Germans. From now onwards, they see the French and the Belgians with other eyes. They have learnt that France and Belgium know how to will. They have observed that French engineers are capable of working, in the midst of a hostile population, a coal-mine with all its complicated and delicate apparatus, and of obtaining from it returns superior to those which it had known under German administration. They have remarked with stupefaction that a railway system with the closest network of lines in the world, which had been

[1] For the Ruhr and the Rhineland together, the French authorities reckoned the gross receipts for the year (calculated for the most part up to the 10th January, 1924, though some items were only entered up to the 31st December, 1923) at 1,329,195,000 francs and the gross expenses (for Armies of Occupation, Civil Missions, Railway *Régie*, &c.) at 850,000,000 francs, leaving a balance of 479,195,000 francs (*Un An d'Occupation*, pp. 67–8); but these figures were challenged by foreign economists, and the French themselves admitted (*op. cit.*, p. 29) that the Reparation deliveries of coal received by France and Belgium during 1923 under the new régime amounted to no more than 25–30 per cent. of the receipts during the preceding year.

> abandoned completely by the German *personnel*, could come to life again under the impulsion of French soldiers and civilians. Automatic signals which had been deliberately put out of gear have been put in order by the efforts of men classed as 'mediocre mechanics'. The industrials of the Ruhr have not disguised the fact that their discussions with the French and Belgian engineers were a revelation to them. These engineers evinced a profound knowledge of the industrial and mining basin of the Ruhr and its role in the economic life of Germany and the world, and a vast and enlightened understanding of the great problems of industry, which left the German magnates amazed. This is the new and perhaps the veritable significance of the Occupation of the Ruhr.[1]

In other words, the defeat of the German campaign of passive resistance had left the French nation with a sense of mastery in the economic as well as in the military sphere, and for France this was a psychological gain of inestimable value. For the moment, it partly appeased that gnawing self-distrust and dread of the future, that agonizing and implacable paradox of defeat in victory, which had haunted the French mind ever since the Armistice of November 1918. This mental relief, however, had not only been bought at a prohibitive economic price, but was bound to be transient unless a definitive settlement of the Reparation Problem could be attained, and that seemed further off than ever after the rupture which had ended the Paris Conference of the 2nd–4th January, 1923. The diplomatic history of the problem, from that date onwards, is taken up in Sections (iv), (v), and (vi), below. In this place, however, it still remains to record the uses to which the French and Belgian authorities in the Occupied German Territories put their victory during the nine months (December 1923 to August 1924 inclusive) which intervened between the cessation of German resistance and the entry into operation of the 'Dawes Plan'.[2] The so-called 'Separatist Movement' is dealt with separately in section (iii), and the remainder of the present section is confined to those measures and negotiations in which the two Continental Occupying Powers were officially concerned.

On the 24th December, 1923, the German representatives at Paris and Brussels handed to the French and Belgian Governments a memorandum [3] setting forth a number of questions which arose out

[1] *Un An d'Occupation*, pp. 69–70.

[2] The genesis of the two Committees of Experts, the preparation of their reports under the chairmanship of General Dawes and Mr. McKenna respectively, and the settlement of the Reparation Problem, on the basis of these reports, between the Governments concerned, are dealt with in Sections (v) and (vi), below.

[3] *Résumé* in *Le Temps*, 30th December, 1923.

of the cessation of German resistance, and urging that they should be discussed between the three Governments without delay. The principal German desiderata were the reopening of traffic between the Occupied and Unoccupied Territories; the introduction of the *Rentenmark* and of the *Rentenbank* legislation into the Occupied Territory; the resumption of navigation on the Rhine; and the reinstatement in the Occupied Territory of the German railwaymen who had been expelled from the lines taken over by the Franco-Belgian *Régie*, of the lawful officials of the *Reich* and the *Länder*, and of a fair proportion of the German regular police, as well as the re-establishment of the right of assembly, the independence of law courts, and the immunity of members of the *Reichsrat* and the *Reichstag*. This memorandum did not move the French and Belgian Governments to take any comprehensive measures in the sense desired,[1] but in certain respects the two Powers responded to the cessation of resistance by gradually relaxing the severity of their régime. For example, by June 1924 it was estimated that about 60,000 deportees had been allowed to return,[2] while the majority of the German nationals imprisoned by the Belgians during the struggle, and certain important individuals among those imprisoned by the French,[3] had been released.[4] Again, as early as the 21st December, 1923, the Inter-Allied Rhineland High Commission passed an ordinance (No. 236),[5] which was extended on the 4th January, 1924, to the Ruhr and other invaded territories by General Degoutte,[6] in regard to the movement of persons between the Occupied and Unoccupied Territories. While, under these new regulations, an inhabitant of Unoccupied Territory was still required to obtain a safe-conduct from the Allied military authorities in order to enter Occupied Territory (except in the case of transit occupying not more than twenty-four hours), inhabitants of Occupied Territory were thenceforth permitted to circulate freely in Un-

[1] For a *résumé* of the Belgian reply of the 11th January see *The Times*, 12th January, 1924.

[2] From the Ruhr alone, down to the cessation of resistance, the total number of persons deported had been reckoned to be 147,020 (see p. 280, above).

[3] e.g. Dr. Prange of Wiesbaden. By the same date, the deported *Regierungspräsident* of Aachen had been allowed to return and resume his duties, and the return of the deported *Regierungspräsident* of Wiesbaden was reported to be imminent.

[4] *The Times*, 14th, 16th, and 28th June, 1924.

[5] Text in the *Official Gazette* for December, 1923.

[6] See *Le Temps*, 6th January, 1924; and also the text of a subsequent *arrêté*, to the same effect, by General Degoutte in *Le Temps*, 15th January.

occupied Territory, and reciprocal freedom to circulate in Occupied Territory was granted, by way of exception, to inhabitants of Unoccupied Territory who were domiciled in *Kreise* parts of which were included in the Occupied Area.[1] These were mitigations ; but it was not until the coming into force of the various agreements, negotiated between the Governments concerned, for putting the ' Dawes Plan ' into operation that the administrative and economic consequences of the Franco-Belgian invasion of the Ruhr were completely undone.[2] Then, at last, a comprehensive amnesty for penalties inflicted on both sides during the struggle of 1923 was introduced ; the remaining barriers to personal intercourse between inhabitants of the Occupied and Unoccupied Territories were removed ; and the economic unity of the German *Reich* was restored by the abolition of the Franco-Belgian customs cordon along the eastern edge of the Occupied Territory and by the liquidation of the Franco-Belgian Railway *Régie* in favour of the new company to which, in execution of the ' Dawes Plan ', all the railways of the *Reich* were eventually handed over. In the meantime, the inhabitants of the Occupied Territories were forced to wear the shackles imposed during 1923 by two of the Occupying Powers, and the M.I.C.U.M. was free to exploit the agreement which it had compelled the Ruhr *Bergbauverein* to sign on the 23rd November, 1923.

It will be remembered that this agreement was only to run until the 15th April, 1924, while some of its provisions referred to much shorter periods. The consequence was that negotiations between the M.I.C.U.M. and a Commission of Six,[3] representing the *Bergbauverein*, were resumed in January and continued intermittently until the entry into operation of the ' Dawes Plan ' and the consequent liquidation of the M.I.C.U.M. on the 28th October. The history of these negotiations is a history of the gradual discomfiture of the M.I.C.U.M., not by their defeated and temporarily impotent adversaries, but by the invincible facts of the economic situation.

At a conference held on the 12th January, the rate of coal-tax payable to the M.I.C.U.M. by the mine-owners, which had been fixed on the 23rd November as until the 31st December, was pro-

[1] These regulations, together with those governing the circulation of nationals of the Occupying Powers, and of nationals of Powers other than the Occupying Powers and Germany, were consolidated in the Rhineland High Commission Ordinance No. 256 of the 10th April, 1924 (Text in the *Official Gazette* for April, 1924). For General Degoutte's regulations in regard to non-German visitors to the Invaded Territories see *Le Temps*, 16th January, 1924.

[2] See Section (vii), below.

[3] Including Herren Hugo Stinnes and Fritz Thyssen.

visionally confirmed as until the 15th February,[1] and on the 9th February it was agreed that the same rate should continue until the 1st March.[2] At the latter meeting it was also agreed that, as from the 1st March, the free deliveries should be increased from the original rate of 27 per cent. of 'utilizable production' to the full amounts which had been laid down by the Reparation Commission; but on the 25th February it was conceded by the M.I.C.U.M. that the 27 per cent. rate should be maintained until the end of March,[3] while the existing rate of tax was again maintained provisionally. Meanwhile, on the 9th February, the Six appear to have warned the M.I.C.U.M. that they did not intend to renew the agreement of the 23rd November after the 15th April;[4] and they defended this attitude by publishing in March a memorandum in which they made out that, under the existing arrangement, taking into account the burden of the free deliveries, they were incurring a deficit of 8·30 marks (gold) per ton of coal available for sale.[5] Indeed, the monthly cost of the M.I.C.U.M. Agreements to the coal and iron industry of the Ruhr was estimated by the industrialists themselves at figures ranging from 90 to 120 million marks (gold) (£4,500,000–£6,000,000).[6]

On the 27th March the M.I.C.U.M. Agreements were discussed in Berlin at a conference of the German Federation of Industries and Union of Employers which was opened by the Chancellor, Herr Marx;[7] and on the 28th it was announced that, after discussion between the Six and the Government, the decision against renewal had definitely been taken.[8] On the 31st the Ruhr miners, on whom the brunt of the free deliveries had fallen in the shape of low wages and lengthened hours of work,[9] approached the M.I.C.U.M. and asked to be represented at the forthcoming conference between that body and the mine-owners.[10] Their request was refused; and since the owners, on their part, refused even to discuss the men's demand for an advance of wages so long as the M.I.C.U.M. Agreement remained in force, the trade unions denounced their existing wages and overtime agreements as from the 30th April,[11] so that there was the prospect of a simultaneous renewal of conflict in the Ruhr

[1] *Le Temps*, 14th January, 1924.
[2] *Ibid.*, 11th February, 1924.
[3] *Ibid.*, 27th February, 1924; *The Times*, 26th February, 1924.
[4] *Le Temps*, 16th February, 1924.
[5] *Ibid.*, 20th March, 1924. For the divergent estimate worked out by the M.I.C.U.M. see *The Times*, 10th April, 1924.
[6] *The Times*, 12th and 24th March, 1924.
[7] *Ibid.*, 28th March, 1924.
[8] *Ibid.*, 29th March, 1924.
[9] *Ibid.*, 25th March, 1924.
[10] *Ibid.*, 2nd April, 1924.
[11] *Ibid.*, 4th April, 1924.

between masters and men and French and Germans.[1] The situation was so serious that on the 2nd April M. le Trocquer, the French Minister of Public Works, arrived in the Ruhr to confer in person with M. Frantzen (the head of the M.I.C.U.M.) and with General Degoutte.[2] On the 8th there was an abortive meeting between the M.I.C.U.M. and the Six [3]—the latter declaring their inability to renew the agreement unless their deliveries were financed for them for the future—and the Six then repaired to Berlin,[4] while the M.I.C.U.M. gave an account of the proceedings to the representatives of the miners. There was another abortive meeting on the 11th ; [5] but at this juncture, when there seemed a serious danger that the struggle in the Ruhr might break out again, the presentation of the ' Dawes Report ' (which had taken place on the 9th) [6] saved the situation. With this new prospect of relief in sight, the Ruhr industrialists brought themselves to accept the renewal of the M.I.C.U.M. Agreement as an interim measure. An accord in principle was reached at a fresh meeting on the 13th,[7] and a text [8] was signed on the following day. The preamble cited the Reparation Commission's decision of the 11th April,[9] as ' calculated to facilitate the obtaining of credit by the Rhenish-Westphalian mining industry ', and the renewal of the agreement—which was made, with certain additions and alterations, ' pending a general settlement of the Reparation Problem '—was explicitly based on ' the new situation ' thus created, though at the same time it was ' not to extend beyond the 15th June at the latest '. The coal-tax was now reduced from 1·80 to 1·50 marks (gold) per ton, and was thenceforth to vary on a sliding scale determined by the current price of fuel (Art. 3), while excess payments on the arrears of coal-tax, which had been fixed on the 23rd November, 1923, at a lump sum of 15,000,000 United States dollars, were to be refunded (Art. 2). On the other hand, the total deliveries were to be raised to the amounts laid down by the Reparation Commission ' after deduction of the quantities to be drawn from the Aachen district, the Rhenish brown coal area, and the mines under the French *Régie* ' (Art. 4).

[1] The owners apparently refused to allow the representatives of the men to inspect their books (*The Times*, 9th April, 1924), and this left a suspicion in the men's minds that, to some extent, the M.I.C.U.M. Agreement was being exploited by the masters as a pretext for beating them down.

[2] *Le Temps*, 4th April, 1924. [3] *The Times*, 9th April, 1924.

[4] *Ibid.*, 10th April, 1924. [5] *Ibid.*, 12th April ; *Le Temps*, 13th April, 1924.

[6] See Section (v), below. [7] *The Times*, 14th April, 1924.

[8] Printed in *The Times* of the 16th April, 1924.

[9] See Section (v), p. 359, below, for the Commission's definitive decision regarding the Dawes Plan of 17th April, 1924.

Thus the new danger-point in the Ruhr was safely passed, and the subsequent negotiations rapidly lost importance as the prospect of the 'Dawes Plan' being put into operation increased. On the 15th June the agreement of the 15th April was renewed for a fortnight, on condition that any modifications which might be agreed upon on the 30th June should be retrospective for that period.[1] In the last days of June the German Government renewed a proposal which it had already made to the French Government *à propos* of the negotiations of the 15th, that the *pourparlers* should thenceforth be conducted between the Governments themselves, but this was not acceptable to M. Herriot.[2] Negotiations were therefore resumed between the M.I.C.U.M. and the Six, and on the 30th a fresh agreement (retrospective up to the 15th June) was signed, to hold until the entry into operation of the 'Dawes Plan', subject to a monthly right of denunciation. This time the M.I.C.U.M. made a number of concessions.[3] For example, the coal-tax and the duty on coal exported beyond the limits of the Occupied Territory were each reduced by 50 per cent., and the deliveries for the period of the labour troubles—which had broken out, as had been expected, and had lasted from the 1st May to the 7th June—were fixed at 27 per cent. of the amount actually produced between those dates. Nevertheless, the Six reserved the right to denounce this agreement on the 20th July if they failed to persuade the Government of the *Reich* to come to their help financially; and, upon the Government's refusal to do so, they duly denounced the agreement on the 3rd.[4] On the 31st July, however, a further agreement [5] was signed, to hold until such a date as might be fixed by the Agent-General for Reparation Payments, who was to be appointed under the 'Dawes Plan', though the mine-owners retained the right to denounce it from the 15th August onwards—such denunciation to take effect fifteen days later. Under this agreement the free deliveries were still to continue, but both the export duties and the coal-tax were again reduced—the latter by 66·66 per cent. for the future and by 33·33 per cent. for July retrospectively. Finally, in a last meeting between the M.I.C.U.M. and the Six on the 2nd September,[6] it was arranged that the deliveries should continue

[1] *The Times*, 16th June, 1924.
[2] The *Deutsche Allgemeine Zeitung*, 27th June, 1924.
[3] *The Times* and *Le Temps*, 2nd July, 1924.
[4] *The Times*, 3rd July; the *Deutsche Allgemeine Zeitung*, 4th July, 1924.
[5] *The Times* and *Le Temps*, 1st August, 1924.
[6] *The Times*, 4th September; *Le Temps*, 4th and 5th September, 1924.

during the 'transition period' (2nd September–7th October) provided for in the agreement between the Allied Governments and Germany which had been signed on the 30th August and had previously been attached as Annex III to the Final Protocol of the London Conference.[1] Thenceforward, however, the deliveries were to be paid for at prices to be fixed by the Reparation Commission and by the new Mixed (German and Allied) Committee [2] for dealing with deliveries in kind, and payments on account were to be made to the mine-owners by the Agent-General for Reparation Payments on the 10th, 20th, and 30th September. This marks the point at which the régime of violence, inaugurated by the Franco-Belgian invasion of the Ruhr on the 11th January, 1923, gave place to the régime inaugurated by the agreed settlement between all the Governments concerned, the history of which, from the 12th October, 1923, to the 30th August, 1924, is traced below.

It must be added that, while the payments and deliveries which were imposed upon the Ruhr mine-owners, as has been described above, were the most important fruits of the Franco-Belgian victory, the victors did not confine their attentions to the *Bergbauverein* but exploited all the leading industries of the Occupied and Invaded Territory to the best of their ability during the nine months in question. It would be tedious to record the history of these other negotiations, which were conducted in the Invaded Territory by the M.I.C.U.M. and in the Occupied Territory by the Inter-Allied Rhineland High Commission (the British representative abstaining), since the manner in which these agreements and renewals of agreements were extorted was nothing new. The most important products involved were wood [3] and chemicals, including dye-stuffs, especially the products of the Badische Anilin und Soda Fabrik of Ludwigshafen ; [4] but similar measures were applied to cutlery, tools, and other metal goods, automobiles, bicycles, safes, aluminium, enamels, glass, bricks, paper, textiles, and sugar.[5] These deliveries were partly financed by a turn-over tax, usually fixed at 2 per cent., which was designed to distribute the burden by imposing part of it upon industries, or branches of industries, the

[1] See Section (vi), p. 383, below.
[2] Set up under the Protocol of the 16th August, 1924, Annex II, Clause 3.
[3] The *Deutsche Allgemeine Zeitung*, 27th February ; *Le Temps*, 1st March, 1924.
[4] *Le Temps*, 2nd February ; *The Times*, 3rd February and 4th April, 1924.
[5] *Le Temps*, 27th February, 1st March, 2nd and 28th May ; *The Times*, 4th and 17th April, 1924.

products of which were not susceptible of transportation to France and Belgium.[1] The general effect of these measures was to turn the Occupied and Invaded Territories, from December 1923 to August 1924 inclusive, into a ' Reparations Province ' in which France and Belgium extracted a local tribute from private German industry in lieu of the payments due to them by the Government of the German *Reich*. This procedure, which was as uneconomic as it was inequitable, had almost accomplished the ruin, not only of the Rhineland and the Ruhr, but of Germany as a whole, when, just in time, the ' Dawes Plan ' was substituted for it.

(iii) The So-Called ' Separatist Movement ' in the Occupied German Territories (1923–4).[2]

The history of the so-called ' Separatist Movement ' in the Occupied German Territories down to the Franco-Belgian invasion of the Ruhr on the 11th January, 1923, has been given in the preceding volume,[3] where it has been indicated that, during the first phase, the movement had been neither representative of the local German population nor an important factor in international affairs.[4] During the second phase, which opened at Düsseldorf three days after the German Government's resistance to the Franco-Belgian invasion had been brought to an end by President Ebert's decree of the

[1] See an account of this in *The Times* of the 25th March, 1924.

[2] The principal relevant documents are collected in the following publications:

(1) German Government (Ministry of Foreign Affairs): *Notenwechsel zwischen der Deutschen und der Französischen Regierung über die Separatistischen Umtriebe in den besetzten Gebieten* (1924, No. 1, Berlin, Reichsdruckerei).

(2) German Government (Ministry for the Occupied Territories): *Urkunden zum Separatistenputsch im Rheinland im Herbst 1923* [down to the 1st August, 1924] (Berlin, 1925, Heymann).

(3) Central Office for the Aid of Refugees from the Palatinate, Heidelberg: *Documentary Evidence of the Assistance given by the French Military and Civil Authorities to the Separatists in the Palatinate.* (I. End of October 1923 to beginning of February 1924; II. 1st–16th February, 1924; III. Since the 16th February, 1924.) [All this evidence was stated to be from official sources.]

Nos. 1 and 2 are referred to hereafter as White Book and Yellow Book respectively.

[3] *Survey, 1920–3*, pp. 95–6.

[4] For a doubly instructive description of Dr. Dorten, the protagonist of the movement during this first phase, see Yellow Book, pp. 41–56: Report, dated the 16th April, 1923, from the Marquis de Lillers, the French Chief Delegate in the Wiesbaden District, to M. Tirard, the French High Commissioner in the Occupied Territories. This document was first published in *The Observer* (London) of the 24th June, 1923.

27th September, 1923, the Separatists were no more representative of their fellow-countrymen than they had been previously ;[1] but their activities had far more serious consequences—partly on account of the disorganization into which the German administration in the Occupied Territories had been thrown by the foregoing struggle with France and Belgium, and partly because of the greater measure of support which the Separatists received this time from representatives on the spot of the French Government. The first of these two new elements in the situation was aptly described in a note of the 10th November, 1923, from the German Ambassador in Paris to the French Government :[2]

> The events at present occurring in the Rhineland are really only explicable if account is taken of the way in which the ground for them has been prepared by the measures which the Inter-Allied Rhineland High Commission has taken during the current year. The defensive front which has to bear the brunt of the Separatists' attempts to make a *Putsch* has been utterly weakened in advance. Owing to the mass expulsions of officials, and especially of the leading officials without exception, the administrative machine is already completely shattered. Moreover, in almost all localities the population has been robbed of its leaders, since the policy of expulsion has not spared the heads of the political parties and of the trade unions. Any enlightenment of the population has been impossible for months owing to the crippling of the entire non-Separatist Press by the most severe administration of the censorship, the standing suppression of many newspapers, and the disallowance of all meetings not convened by the Separatists. Finally, any *liaison* between the political, economic and trade union organizations of the Rhineland and the corresponding associations in the rest of Germany has long been made difficult, or rather absolutely impossible, by the drawing of a strict cordon of isolation round the entire Occupied Territory.

The second new element in the situation was the barely disguised countenance and support which the Separatists now received from the French authorities. Although the unauthorized bearing of fire-arms by German nationals in the Occupied Territory was strictly forbidden, under severe penalties, by the Inter-Allied Rhineland High Commission[3] (this being, indeed, one of the elementary duties of a body which had been called into existence in order to provide for the security of the Allied Armies of Occupation), the so-called 'Separatists' were now permitted, not merely to bear arms, but to form themselves into military organizations, under

[1] Texts of protests by authoritative and representative bodies in the Occupied Territory, Yellow Book, pp. 10–20.
[2] White Book, No. 7.
[3] Ordinance No. 3, Article 20, of the 10th January, 1920.

the eyes of the French officials, gendarmes, and soldiers.[α] Indeed, there were cases in which arms that private German citizens had been properly compelled to deliver up at the beginning of the Occupation were served out to the Separatists by the French authorities who had them in charge.[β] There were other cases in which weapons captured from Separatists by the German police, representing the lawfully constituted German authorities, in the course of fighting which had arisen out of attempts, on the Separatists' part, to capture public buildings, were restored by the French authorities to these disturbers of the peace, who—even if they possessed a warrant (which ought never to have been granted to them) from a representative of the Rhineland High Commission—had forfeited any right to bear these arms by the use to which they had put them.[γ] It may be added that the Separatists were frequently conveyed to their fields of action in special trains placed at their disposal by the Franco-Belgian Railway *Régie*,[δ] and that in such cases they were usually permitted to use the local railway station as their base of operations.[ε] On the other hand, the German police were, in almost every case after the first bloodshed at Düsseldorf on the 30th September, 1923, either disarmed by the French before the appearance of the Separatist bands[ζ] or else forbidden to use fire-arms against the Separatists in any circumstances under pain of immediate intervention on the part of the French military forces.[η] In the latter case, French troops or gendarmes sometimes escorted the Separatists as they advanced to the attack in order to make it impossible for the German police to transgress the prohibition without immediately bringing themselves into armed conflict with the Occupying Powers.[θ] If, nevertheless, the police did succeed—by the use of sabres, bâtons, or fire-hoses—in keeping the Separatists at bay (a method of defending public buildings which required considerable courage, when the assailants were free to employ fire-arms and did so), the French authorities contrived, either by ordering the police to quit the buildings which they were defending, or by actually placing them under arrest, to enable the Separatists to capture their objectives.[ι] When once this had been achieved and the Separatists had hoisted their flag and installed their travesty of an administration, any counter-attempts, on the part of the lawful authorities or the population, to eject them were severely repressed as breaches of the peace;[κ] pressure was

[α] This and the following references, in the letters of the Greek alphabet, are to notes printed at the end of the section (pp. 320–2).

brought to bear upon the lawful German officials by the French authorities to carry on their work under the Separatist régime ; [λ] and the Separatists were actively assisted not only by being given free passes over the *Régie* lines and free rations from the French military stores,[μ] but by being allowed to force printers to print and shopkeepers to accept illegal paper-money (their so-called *Notgeld*[ν]), while they were enabled to maintain their authority by deporting loyal officials and prominent private citizens wholesale into the Unoccupied Territory.[ξ]

No doubt it would be an error to assume that the French authorities foresaw and approved all the misdeeds of their *protégés*. The Separatists appear to have numbered among them no single individual of either standing or ability. Many of them were foreign to the Rhineland and even to Germany, and convicted criminals were freely admitted into their ranks. Their régime meant the substitution of anarchy for an administration which, though not one of the most liberal, had been admittedly one of the most orderly in the world, and the subjection of a civilized people in the heart of Western Europe to conditions which, until the outbreak of the War of 1914, had been banished from Europe proper (outside the Balkan Peninsula and the Russian Border) for many generations past. In the Rhineland the French people and Government, which were more implacable in their attitude towards Bolshevism than most of their neighbours, were instrumental in placing in power, not the proletariat or the peasantry (which suffered with the rest) but the criminal dregs of society,[ο] and the fact that the necessary military support was mainly provided by French African troops [1] gave a touch to the picture for which it is difficult to find a parallel except in the reconquered Southern States of the American Union during the worst days of the 'reconstruction' which followed the Civil War of 1861–5.

Perhaps the most painful feature in the whole affair was the official attitude of the French Government, which maintained that it had 'held completely aloof from the preparations which had culminated in the launching of the Separatist activities' ; [2] that it had 'remained, and continued to remain, a stranger to the events

[1] In the *Reichstag*, on the 20th February, 1924, Dr. Höfle, the Minister for the Occupied Territories, stated in answer to an interpellation that, out of a total of 140,000 troops in garrison in the Rhineland, 120,000 were coloured. (The *Deutsche Allgemeine Zeitung*, 22nd February, 1924.)

[2] M. Poincaré's note of the 6th November, 1923 (White Book, No. 6).

which had occurred in the Rhenish Province since then;'[1] and that the Separatist Movement was a quarrel among Germans in which France had no desire to take part.[2] Officially, the French Government clung to this position from beginning to end of the affair; but it soon ceased to be tenable in the eyes of the world. Throughout the Rhineland the course of events bore out the conclusion which was reached, in regard to the Palatinate in particular, by an authoritative and impartial first-hand witness, Mr. Consul Clive,[3] that 'this Government could never have come into existence without French support and would immediately be driven out if French support were withdrawn'. The Separatists were, in fact, driven out of the Belgian Zone as soon as the Belgian authorities ceased to support them. They never attempted to obtain a footing in the British Zone, where the local representatives of the Occupying Power did not leave it doubtful that they intended to fulfil the purpose for which they were there by preventing the illegal bearing and use of arms and enabling the lawful civil authorities to maintain order; and in the French Zone itself, as soon as French support was withdrawn, Mr. Clive's prophecy came true. The Separatists collapsed in a moment—even in the Palatinate, where the pressure exerted on their behalf by the representatives of France had been most pronounced. These facts proved conclusively that the Separatist Movement was not, as the French officially claimed that it was, a spontaneous development in the internal political life of Germany, and that it could not be accounted for by the mere existence of the Inter-Allied military occupation or even by the effects of the struggle in the Ruhr. It was the product of French policy, and could never have occurred if Frenchmen in high places had not willed it.

Thus the relations of the French Government with the Rhineland Separatists in the years 1923–4 painfully resembled the relations of contemporary Near Eastern Governments with the *chettés* and *komitajys* under their respective patronage. Through these unworthy agents, for whose acts they disclaimed responsibility, representatives of the French Government sought to procure results which they desired to see accomplished but were unwilling openly to bring about by their own action. As was the case in similar situations in the Near East, it was particularly difficult to ascertain

[1] M. Poincaré's note of the 6th November, 1923 (White Book, No. 6).
[2] French note of the 21st February, 1924 (White Book, No. 19).
[3] See p. 313, below.

exactly to what extent the principals were responsible for the crimes committed by the unavowed executants of their policy, or, again, to what extent that policy, as promoted by the lower ranks of the French official hierarchy on the spot, was initiated and approved by the heads of the Government in Paris. In the end, when the bitter feelings aroused by this affair have long died away, it is possible that the exact facts may be established by patient historical research. In the present state of knowledge, it is only just to France to say that the discredit of the story does not reflect exclusively upon her. Germans, Englishmen, or Italians, looking back dispassionately over their own national records during the ten years preceding the summer of 1924, might well hesitate to cast the first stone at their French neighbours. The relations between the French Government and the Separatists were one among several specially striking examples of the unhappy condition into which Europe had fallen—a condition which the great majority of educated Europeans would have dismissed as incredible if it had been foretold to them at any moment before the outbreak of the War of 1914.

The Separatists' first stroke in their new campaign was delivered at Düsseldorf (General Degoutte's head-quarters, in the 'Sanctions Territory' occupied on the 8th March, 1921) on Sunday the 30th September, 1923. Their intention being known beforehand, the local trade union and party organizations decided that the town should protest passively by the suspension of traffic, by the closing of places of amusement, and by the whole population remaining indoors. The police were concentrated in the public buildings with orders to act strictly on the defensive; but when the Separatists, who arrived on the scene in a *Régie* special train, marched through the town, armed and in military formation, 1,500 to 2,000 strong, they came into collision with the police, and, after the first shots had been fired (apparently) on the Separatists' side, there was a pitched battle. resulting in about 300 casualties, in which the Separatists had the worst of it before the police were placed under arrest, disarmed, and court martialled by the French military authorities.[1]

After this, the Separatists reorganized their forces,[2] and on the 21st October a 'Rhineland Republic' was proclaimed at Aachen, in the Belgian Zone. On the Belgian side, it was announced semi-officially that the Belgian troops had received orders not to intervene unless their security were threatened, and on the 28th fresh instruc-

[1] See White Book, Nos. 2 and 7 for the German version, and Nos. 4 and 11 for the French version.

[2] See Yellow Book, pp. 1–2.

tions to observe strict neutrality were given by the Foreign Minister, M. Jaspar, to the High Commissioner of Belgium in the Occupied Territories. Meanwhile, in the Belgian Press,[1] some doubt was cast upon the genuineness of the neutrality which the Belgian military authorities had been observing up to date; and after the 31st October, when the British Minister at Brussels delivered a note announcing the British Government's opposition to the separation of the Rhineland from Germany, the Belgian Government called for a report from the military authorities on the spot regarding the attitude of their officers and men during the Separatists' operations. The finding seems to have been that while the official attitude of the Belgian army had been correct, certain individual members of the Belgian forces had intervened on the Separatists' behalf. These irregularities were checked by the Belgian Government's action, and on the 2nd November the Belgian High Commissioner compelled the Separatists to evacuate the *Rathaus* at Aachen, after which, the Separatist Movement virtually collapsed as far as the Belgian Zone was concerned.[2]

Simultaneously with the proclamation of the 'Rhineland Republic' in the Belgian Zone, the Separatists (by the methods and with the assistance that have been indicated above) seized the public buildings and attempted to take over the administration [3] in those parts of the French Zone which belonged to the two German *Länder* of Prussia and Hessen-Darmstadt.[4] The *Putsch* was carried out at

[1] Particularly in Flemish and Socialist organs.

[2] It was afterwards reported (in *The Times*, 2nd January, 1924) that the seizure of public buildings and proclamation of the Rhineland Republic at Aachen on the 21st October was brought about by certain 'Belgian Nationalists' (presumably officers in the Belgian Army of Occupation) in order to forestall the French and thus prevent the latter from effecting the establishment of a Rhineland Republic under French patronage, which would have hemmed Belgium in between France on one side and a French client state on the other. This premature *Putsch* in the Belgian Zone forced the French (according to this story) to precipitate events in their own Zone. Meanwhile, the Belgian Government, which had not been a party to this Belgian intrigue with the Separatists and which disapproved of that policy, took the action which has been described in the text, with the result that the 'Separatist Movement' in the Belgian Zone was brought to an end in the first days of November. Pending the verification of this report, it may be pointed out that it does not conflict with the known facts which are stated in the text; and that, if the French plans were upset, that would explain the crudeness of the methods by which the Separatists were assisted into the saddle by the French authorities in the French Zone in the course of the next few days.

[3] See Yellow Book, pp. 2–3, for the Separatists' proclamations.

[4] The part belonging to Hessen-Darmstadt consisted of the southern half of the Mainz Bridgehead and a small triangle on the left bank of the Rhine which included Mainz, Bingen, and Worms. Everything to the north-west

Coblenz (the seat of the Rhineland High Commission) on the 21st–26th October, at Bonn on the 21st–25th, at Wiesbaden and Trier on the 22nd, at Mainz on the 23rd; and while large armed bands, transported in special trains by the Franco-Belgian *Régie*, executed these operations in the larger cities, the country towns and villages were raided by smaller parties in motor-lorries. There were indications that (as was commonly observed in contemporary occurrences of the same kind in the Near East) the terrorism was more naked in the countryside [1] than in the towns, where the Separatists were to some extent restrained by the presence of foreign witnesses, and where the French authorities on their side were concerned to keep up appearances—though Herr Matthes, the Separatist leader, in his proclamation of the 'Rhineland Republic' at Coblenz on the 25th October,[2] ventured to declare that the members of the Separatist 'Government' had been received by the President of the Inter-Allied High Commission in his capacity as French High Commissioner, and had been informed by him that they were 'recognized as the *de facto* Government wherever their authority was effective'. A further proclamation was published on the 29th October [3] in *Der Rheinländer*, 'the official organ of the Provisional Government', in which the names of the members were given and it was announced that they had delegated full powers to Herr Matthes and Dr. Dorten. This pretentious beginning, however, was followed by no permanent results, since the Separatists were so incapable of helping themselves that it proved impossible for their foreign patrons to help them effectively. The leaders had neither experience nor authority, and the movement found no support whatever either among the lawful officials (in spite of the pressure which was brought to bear on them in the hope of inducing them to carry on their work under the new régime) or among the population. Herren Matthes and Dorten further discredited themselves by quarrelling with one another, with the result that Dr. Dorten carried out a new *Putsch*, this time against his colleague, on the 27th November. On the 29th January, a French military court at Wiesbaden found itself compelled to sentence one of Dr. Dorten's collaborators, Herr Hocquel, 'President of the Franco-Rhenish League', together with several other Separatists, for having

of this (except the little Birkenfeld enclave belonging to Oldenburg) was Prussian territory.

[1] For conditions in the Moselle valley see *The Times*, 24th January, and *The Manchester Guardian*, 30th January, 1924.

[2] Yellow Book, pp. 2–3.

[3] *Ibid.*, p. 3.

attacked and looted a consignment of *Reichsbank* notes.[1] On the 31st January, the public buildings at Wiesbaden were quietly evacuated by the Separatists and reoccupied by the lawful officials,[2] and by the 11th February the Separatist régime had come to an end in every important place in the Prussian and Hessian portions of the French Zone, including the *Kurhaus* at Bad-Ems, in which Dr. Dorten's 'Government' had installed itself.[3] This was the end of the attempt to establish a Separatist Government in any portion of the Occupied Territories outside the Bavarian Palatinate; and although the Separatist leaders still tried to play a part by intervening in labour troubles,[4] founding a 'Rhenish Labour Party'[5] and a new 'Republican Defence Force' (*Republikanische Notwehr*),[6] and publishing an election address at the *Reichstag* elections of the 4th May, 1924,[7] they confined themselves thenceforward, outside the Palatinate, to the tactics of 'pacific evolution',[8] until the ultimate withdrawal of French protection, owing to the signature of the London Agreements,[9] left them the choice between flight or impeachment.

In the Palatinate, where the Separatist *Putsch* was started about a week later than in other parts of the French Zone, the activities of the Separatists took a much more serious turn than elsewhere owing to the policy pursued by General de Metz, the chief delegate of the Rhineland Commission for this area. They not only produced a greater local harvest of anarchy, injustice, and bloodshed,[10] but very nearly created a breach between France and Great Britain.

The Palatinate—unlike the greater part of the Occupied Territory, which had been incorporated since 1815 in Prussia—had since that date belonged to Bavaria.

It thus tended to live a life of its own apart from the remainder of Germany west of the Rhine and also apart from the main body of Bavaria, from which it was separated by Hessen-Darmstadt and

[1] *Le Temps*, 31st January, 1924.
[2] The *Deutsche Allgemeine Zeitung*, 2nd February; *Le Temps*, 3rd February, 1924.
[3] *The Times*, 12th February; *Le Temps*, 13th February, 1924.
[4] e.g. in the lignite district in the British Zone (*The Manchester Guardian*, 21st February, 1924).
[5] Yellow Book, p. 5.
[6] *Ibid.*, p. 6; *The Manchester Guardian*, 27th June, 1924.
[7] Yellow Book, p. 7. No Separatist, of course, secured election.
[8] *Le Temps*, 13th June, 1924, quoting from the *Kölnische Zeitung*.
[9] See Section (vi), below.
[10] For general descriptions of local conditions under the Separatist régime see two series of articles in *The Times*, 15th, 17th, and 22nd January, and *The Manchester Guardian*, 25th and 26th January.

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THE BAVARIAN PALATINATE

Baden. After the foundation of the German *Reich* in 1871, the special position of the Palatinate had ceased to be anything more than an interesting relic of the *Kleinstaaten* period of German history; but the Versailles Treaty had reproduced the earlier situation in several respects. With the restoration of Alsace-Lorraine to France, the southern boundary of the Palatinate once more became the frontier between France and Germany; for fifteen years the Saar Territory (which marched with the western boundary of the Palatinate and included a fragment of it) was to be under a special régime which, according to the terms of the Treaty, might end in the Saar as well as the *Reichsland*, passing from Germany to France; and for the same fifteen years the Palatinate—hemmed in between France itself and a potentially French territory—was to be occupied by a French garrison. This was a situation which had existed on a number of occasions between the outbreak of the Thirty Years War and the fall of the First French Empire; and it was perhaps not unnatural that the French, when their last hopes of detaching Rhenish Prussia from the *Reich* were dashed by the failure of Separatism in the north, should make a supreme effort at least to detach the Palatinate. This German province, resting on the French frontier and covered on its eastern flank by the Rhine and on its western by the River Nahe and the Donnersberg, occupied a position of great military strength which might be utilized by French strategy either as a *glacis* or as a bastion. In the former case it might be devastated and then left as a no-man's-land, as had been done by Louis XIV. In the latter case it might be attached to France—if not as a department (as in the days of the First Empire, when the Department of the Sarre had stood side by side with the Department of Mont Tonnerre)—then at least as an autonomous state under French protection. The latter was the policy which General de Metz attempted (whether or not on his own initiative) to carry into effect in the year 1923.

On the 24th October a representative of General de Metz, Major Louis, announced [1] officially, at a sitting of the Palatine *Kreistag* or Provincial Council at Speyer, that

> In view of the extremely disturbing and dangerous situation in Bavaria, the Palatinate is constituted, from this day onwards, an autonomous state with a provisional Government, pending the further development of events.

After the *Kreistag* had rejected this proposition unanimously,

[1] White Book, No. 3.

General de Metz himself informed the accredited representative of the Bavarian Central Government next day that

> the Bavarian Government, owing to its conduct in the present conflict with the Government of the *Reich*,[1] had placed itself outside the constitution of the *Reich* and thereby violated the constitution. On the French side, the consequence had to be drawn that the executive authority of the Bavarian Government in the Palatinate had ceased to exist. Accordingly the Bavarian officials stationed in the Palatinate no longer possessed any of the attributes of sovereignty. He (General de Metz) therefore prohibited them from any further exercise of their official functions, and if they wished to remain in the Palatinate they could only do so as private individuals.

On the 26th the General summoned the *Kreistag* again, together with the local leaders of the German political parties and trade unions and the local notables; but evidently he failed to obtain from them what he wanted, for, within a week, Separatist bands began to arrive by train from the north, and before the middle of November they had seized the public buildings in every town of the Palatinate by those methods of violence—aided and abetted by the French authorities with less concealment than elsewhere—that have been described already.[2]

The special features of the Separatist régime in the Palatinate were the wholesale expulsion of officials (not by the French but by the Separatists on their own authority, though with French connivance) and an intensive effort to extort from Burgomasters and other local notables declarations of loyalty to the 'Autonomous Government of the Palatinate'. The number of persons deported from this one province, the total population of which was less than three-quarters of a million, eventually rose to nearly 20,000, about 19,000 of them being officials.[3] The number of declarations of loyalty to the new Government from Burgomasters which had been received by the 22nd December was stated to be 408 out of a possible 650.[4] These declarations, which were extorted by armed men under such threats as that of immediate expulsion,[5] were of course utterly worthless as evidence of the population's political sympathies, and indeed they were often revoked, after which the ceremony of

[1] The history of this conflict, which was one of the principal symptoms of political disintegration in Germany immediately after the cessation of resistance to the French and Belgian operations in the Ruhr, falls outside the scope of the present Survey.

[2] For details see White Book, No. 18, Annex 8.

[3] The *Deutsche Allgemeine Zeitung*, 4th May, 1924.

[4] *The Times*, 10th January, 1924.

[5] *Ibid.*, 15th January, 1924.

extortion would be repeated.[1] Espionage was so rife, and the consequences of falling into bad odour with the Separatists and their protectors were so serious, that in January the Special Correspondent of *The Times* had to take elaborate precautions in order to meet prominent and respectable German citizens in the Palatinate without compromising them.[2]

On the 22nd December the French High Commissioner informed the Rhineland High Commission officially that the 'Autonomous Government of the Palatinate' had been constituted as from the 11th November.[3] Nevertheless, on the 4th January Lieutenant-Colonel Defoort, the French district delegate at Zweibrücken, whose name was honourably distinguished[4] throughout these painful events, announced—'in the general interest of the maintenance of public order, and to remove complaints which were reaching him from every side'—that the Autonomous Government had not yet been recognized officially and that none of its ordinances, laws, and decisions had been registered by the Rhineland High Commission, so that the German authorities retained their powers in accordance with the Versailles Treaty and with the standing ordinances of the High Commission.[5] On the 8th January, however, the same French representative announced that, in consequence of the registration of the Autonomous Government's ordinances by the High Commission in the meantime, his announcement of the 4th was null and void; and at the same time he ordered the Separatist flag, which the Burgomaster had hauled down on the 5th, to be re-hoisted.[6]

On the 2nd January the Rhineland High Commission had, in fact, decided (against the vote of the British representative) to register certain decrees of the 'Autonomous Government'—the most important among them being an emergency law for raising a special unemployment fund, which had been drafted in view of the Bavarian Government's refusal to continue the allocation of its own funds to this purpose in any districts of the Palatinate in which the Separatists had superseded the lawful authorities.[7] This registration of the 'Autonomous Government's' ordinances was tantamount to granting it official recognition; and since registration by the Rhineland High Commission automatically entailed ratification by the Govern-

[1] *Ibid.*, 6th February, 1924.
[2] *Ibid.*, 22nd January, 1924.
[3] *Ibid.*, 10th January, 1924.
[4] See *ibid.*, 22nd January, 1924.
[5] Text in Yellow Book, pp. 32–3. See also *The Times*, 8th and 9th January, 1924.
[6] Texts of this announcement and order in Yellow Book, p. 33.
[7] For texts of documents bearing on this question see *ibid.*, pp. 29–32.

ments represented on the Commission within ten days, unless the process were stopped in the interval, Great Britain and Belgium were faced with the alternatives of either being implicated in the French policy or taking positive action. A note of protest which was addressed to M. Poincaré on the 11th January by the German Ambassador in Paris [1] had no effect; but when the British Government demanded that ratification should be suspended pending an inquiry, and when this demand was supported by Belgium (who had stipulated that registration should not imply recognition), the French Government gave way.[2]

The British point of view was presented as follows by Lord Curzon in a speech delivered in the House of Lords on the 15th January:

> Our representative, Lord Kilmarnock, had no hesitation in declining to give his assent to a proposal which would practically have amounted to recognition of a State which had no legal existence at all, and which did not represent the sentiments of the people.
>
> Further, our view was influenced by the conviction that the High Commission is not there for that purpose at all. The High Commission, according to the terms of the Versailles Treaty and the Rhineland Agreement, is there for the purpose of maintaining the security, *et cetera*, of the troops, and has nothing whatever to do with politics. We were, therefore, unable to agree that this body had any authority whatsoever either to register those decrees or to recognize this Government. . . . Supposing the movement was a genuine one there is provided in the terms of what is known as the Weimar Constitution—that is to say, the new Constitution of the German State—means by which, on application from a third of the voters in any area, a plebiscite can be taken, and autonomy within the *Reich* can be secured. Therefore still less justification was there for this hasty and upstart simulacrum of a government in the Palatinate.

An independent inquiry was indeed urgently necessary, for it was not only impossible for foreign newspaper correspondents and other private persons to communicate freely with the population on the spot, but a deputation of Palatine notables which waited on the Rhineland Commission at Coblenz to acquaint them with the true wishes of the population was refused a hearing (though it was received in private by the Belgian, British, and Italian High Commissioners), while upon their return home its members were reprimanded and threatened by General de Metz.[3] A protest addressed to the Rhineland Commission by the Catholic clergy of the Palatinate on the 6th January likewise produced no effect, and General de Metz vetoed a declaration denouncing the 'Autonomous

[1] White Book, No. 15.
[2] *The Times*, 12th January, 1924.
[3] *Ibid.*, 10th and 17th January, 1924.

Government' which was to have been read from every Catholic pulpit in the province on Sunday, the 13th.[1]

The British Government accordingly decided to send Mr. Consul Clive, the British Consul-General 'for Bavaria and for the Bavarian Palatinate', from Munich to the Palatinate in order to investigate the situation; the French contention that Mr. Clive's *exequatur* did not run in the Occupied Territory was overruled;[2] Mr. Clive started from Munich on the 13th[3] and, after spending several days at Mannheim,[4] where the majority of the officials and other persons deported from the Palatinate had been given asylum by the Government of Baden, he continued his investigations in the Palatinate itself on the 17th and 18th January.[5] On the 21st the following telegram from him was read by the Under-Secretary of State, Mr. Ronald MacNeill, in the House of Commons:

> Having spent five days hearing views of people of every class and from every part of the Palatinate I have come to general conclusions:
> 1. Overwhelming mass of population are opposed to Autonomous Government.
> 2. This Government could never have come into existence without French support and would immediately be driven out if French support were withdrawn.
> 3. On admission of Bley, nominal head of Government, 75 per cent. of Separatists came from outside the Palatinate. These unquestionably include large element of ex-criminals, men entirely inexperienced in government.
> 4. Catholic and Protestant churches and official classes and majority in large towns reject idea of any separation from Bavaria.
> 5. A considerable element, while indifferent to question of separation from Bavaria, are opposed to separation from the *Reich*.
> 6. There is also a feeling amongst certain classes, especially peasants and Socialist workmen, in favour of Rhineland State including Palatinate, politically independent but economically bound to the *Reich*. These people fear militarist policy of Berlin and Munich.
> 7. Amongst peasant and working class there is strong feeling of war weariness and desire for peace at any price.
> 8. Declaration of loyalty was rejected in all sections. Signatories were confined to peasant proprietor mayors of communes, many of whom signed originally without consulting their council and have now recalled adherence. Palatinate peasants in general are indifferent to politics and only want to live in peace with no risk of expulsion. These people would, I believe, sign any declaration from any Government in order to be left in peace, and signatures obtained in number of cases

[1] For texts of the protest, the proposed declaration, and General de Metz's veto, see Yellow Book, pp. 15–17.
[2] *The Times*, 12th and 14th January, 1924.
[3] *Ibid.*, 14th January, 1924.
[4] *Ibid.*, 17th January, 1924.
[5] *Ibid.*, 18th January, 1924.

under threat cannot justify the assumption that majority of peasants favour Autonomous Government.

Throughout his visit to the Palatinate, Mr. Clive was accompanied by a French official,[1] and the French Government further retaliated by sending two secret service agents to Cologne to investigate whether counter-attacks against Separatists at Düren were being organized by the German authorities in the British Zone.[2]

Meanwhile, as the Separatist reign of terror in the Palatinate continued, the population, as well as the oppressors, began to get out of hand. On the 9th January Herr Heinz, the ' President of the Autonomous Government ', was assassinated at Speyer.[3] The Separatists retorted by announcing that, in any place where further attempts upon members of the ' Autonomous Government ' might be made, the five leading notables would be held answerable with their lives and property.[4] In certain towns these potential victims were designated in advance.[5] A few days later, at the village of Lauterecken, the population overcame the Separatist picket in a surprise attack, and the Separatist régime had to be restored by reinforcements from Kaiserslautern, who opened fire on the crowd and killed one villager, although the villagers had spared their assailants' comrades when they had them at their mercy.[6] On the 29th January the Separatist ' Burgomaster ' of Roxheim, Herr Gumbinger, was shot at and mortally wounded.[7] Equally ominous was the persecution, on the Separatists' part, of individuals who had given damaging information to Mr. Clive—a fact of which the Separatists could hardly have learnt except through the French officials who had accompanied him.[8]

Fortunately, at this juncture, the negotiations between the British, French, and Belgian Governments took a better turn. In the matter of the Palatinate, as in that of Reparation, the Belgian Government

[1] M. Filhiol, M. Tirard's *Chef de Cabinet* (*The Times*, 15th January, 1924).

[2] See *ibid.*, 17th and 19th January, and *Le Temps*, 19th and 21st January, 1924. On the French side it was insinuated that this inquiry had been frustrated deliberately by the British authorities, who were stated, without a shadow of proof, to have warned the Germans beforehand that the French investigators were coming.

[3] For an eye-witness's account see *The Times*, 10th and 11th January, 1924. There were five deaths in this affair.

[4] The *Deutsche Allgemeine Zeitung*, 16th January, 1924.

[5] *The Times*, 23rd January, 1924.

[6] *Ibid.*, 26th and 28th January, 1924.

[7] *Le Temps*, 1st February ; *The Times*, 2nd February, 1924.

[8] See *The Times*, 25th and 28th January and 1st February, 1924. The most signal instance was the persecution inflicted on Herr Poth of Dürkheim and his family.

appears to have distinguished itself by goodwill and resourcefulness in mediating between its Allies, and on the 28th January M. Jaspar was able to announce that M. Poincaré had rallied to his point of view.[1] On the strength of Mr. Clive's report, the British Government had proposed that the whole question of the 'Autonomous Government' of the Palatinate, including the registration of its decrees by the Rhineland High Commission, should be referred to the Permanent Court of International Justice; and the French Government (presumably at the instance of the Belgian Government) had then consented that the registration should be cancelled. At the same time the French Government made the counter-proposals that the general question should be referred to the Conference of Ambassadors, and that the officials expelled by the Separatists should not be allowed to return.[2] On both these points, however, the British Government was unwilling to give way, whereupon M. Poincaré appears to have conceded the reinstatement of officials expelled by the Separatists, though not that of those expelled by the Inter-Allied High Commission.[3] The effects of these concessions were soon visible in the Palatinate itself, where, from about the 10th February onwards, the French authorities began to take steps to liquidate the Separatist régime and to enable the legitimate officials and police to resume their duties.[4] The transfer was duly effected at Kaiserslautern on the 10th and at Pirmasens [5] on the 11th. On the 13th, as the result of fresh proposals by the French Government,[6] it was announced that the Inter-Allied Rhineland High Commission had appointed a special committee to investigate on the spot the measures to be taken in the Palatinate for the restoration of order.[7] Unhappily, while this mission was on its way, the long pent-up passions of the population broke out with fatal effects.

From the moment when it appeared that the Separatists were being abandoned by their patrons the population spontaneously rose against them. On the 12th February the people of Pirmasens,

[1] *Ibid.*, 29th January, 1924.

[2] *Le Temps*, 1st February; *The Times*, 30th January, 1924. On the French side it seems to have been alleged that these officials had fled, whereupon a deputation of expelled Palatinate officials (to whom General de Metz refused to give audience) waited on the British and Belgian High Commissioners and explained that not one of them had crossed the Rhine voluntarily and that they were all ready to take up their duties again at any moment and loyally to carry out the Rhineland Agreement as heretofore. (*The Times*, 6th February, 1924.)

[3] *Le Temps*, 7th February, 1924.

[4] The *Deutsche Allgemeine Zeitung*, 12th February, 1924.

[5] *Ibid.*, 13th February, 1924.

[6] *The Times*, 11th February, 1924.

[7] *Ibid.*, 14th February, 1924.

after attempting to storm the Separatists' last stronghold *en masse*, and being checked by rifle-fire, set the building on fire and massacred the Separatists as they were driven into the open by the flames. In this affray fifteen Separatists (including the local dictator, Herr Schwaab) and five townspeople were killed and ten Separatists and twenty townspeople severely wounded.[1] On the 13th there was a less serious affray at Kaiserslautern, in which the Separatists appear to have taken the offensive, while all the casualties were on the other side.[2] At Dürkheim, on the same day, when the Separatists had been summoned to evacuate and had refused, their headquarters were taken by storm and six of them were killed.[3] Thereupon the Rhineland High Commission proclaimed a state of siege in Pirmasens,[4] ordered the dissolution of the local nationalist organizations,[5] and took various stringent police measures. The number of persons arrested by the French *gendarmerie* at Pirmasens rose to forty;[6] a hundred hostages for the safety of the Separatists were taken;[7] and, on a smaller scale, the same thing was done at Landau and Lauterecken.[8] At Pirmasens the state of siege was prolonged until the end of February;[9] and at the end of March the majority of the persons arrested were still in prison, all clubs were closed, the German police were under the surveillance of Moroccans, and forty or fifty French secret police were still carrying on investigations.[10]

[1] For full accounts see *The Times*, and the *Corriere della Sera*, 14th February, 1924.

[2] For full accounts see *ibid.*, 15th February, 1924.

[3] The *Deutsche Allgemeine Zeitung* and *The Times*, 15th February, 1924.

[4] The *Deutsche Allgemeine Zeitung*, 15th February, 1924.

[5] On the French side it was at first reported that the attack on the Separatists at Pirmasens had been conducted by armed bands of Nationalists who had crossed the Rhine from the Unoccupied Territory. It was afterwards admitted that this was not the case and that only the local civil population had been concerned in the affair (*Le Temps*, 20th February, 1924). Nevertheless, the Inter-Allied Rhineland High Commission took occasion to pass a new ordinance (No. 245) on the 15th February for the suppression of the activities of associations liable to prejudice the security of the armies or to disturb public order, and another (No. 257) on the 12th April prohibiting all military training in associations and educational establishments, the combined result being to increase the severity of the previous Ordinance on these subjects (No. 65). In this connexion, on the 4th April, the *Service de la Sûreté Militaire de l'Armée du Rhin* made 240 domiciliary visits and 61 arrests, the operation taking place simultaneously throughout the Occupied and Invaded Territories. (*Le Temps*, 5th and 6th April; *The Times*, 7th April, 1924.)

[6] The *Deutsche Allgemeine Zeitung*, 20th February, 1924.

[7] *Ibid.*, 22nd February, 1924.

[8] *Ibid.*, 20th February, 1924; *The Times*, 21st February, 1924; Yellow Book, p. 37.

[9] *The Times*, 25th February, 1924.

[10] *Ibid.*, 8th and 31st March, 1924.

On the 15th February the Rhineland Commission's special committee of three officers—Colonel d'Arbonneau (French), Commandant Harms (Belgian), and Captain Berry (British)—arrived at Speyer, and at once entered into relations with the Standing Committee (*Kreisausschuss*) of the Palatine *Kreistag* or Provincial Council which had refused to do General de Metz's bidding on the preceding 24th October.[1] On the 16th the Chairman of the *Kreistag*, Dr. Bayersdörfer, announced [2] that, at the instance of the Inter-Allied Mission, the *Kreistag* Standing Committee had consented, as from 8 a.m. next morning, to take all measures for the maintenance of order and the conduct of the public service—but this only for a transitional period and without any alteration in the existing constitutional position, the Standing Committee offering its services simply as a go-between between the Inter-Allied Mission on the one hand and the population of the Palatinate, Bavaria, and the *Reich* on the other. On the 18th the Inter-Allied Mission confirmed this arrangement in a proclamation of their own,[3] in which they also announced that all reprisals on either side would be punished by the Allied as well as the German authorities; that disarmament was to be strictly carried out; and that existing ordinances against unlawful assemblies and societies would be enforced.[4] It was simultaneously agreed between the Inter-Allied Mission and the *Kreisausschuss*, as one of the conditions upon which the latter consented provisionally to step into the breach, that all officials expelled by the Separatists from the Palatinate should return automatically (i.e. without special individual authorization),[5] though it was intimated that their reinstatement would be gradual.[6] This arrangement was confirmed by the Rhineland High Commission, and the *Kreisausschuss* duly took over responsibility on the 17th without any untoward incident. By the end of February the last Separatists had disappeared from the scene.[7]

Naturally, however, public order could not be re-established as

[1] For the ensuing negotiations see *ibid.*, 16th February, and the *Deutsche Allgemeine Zeitung*, 17th February, 1924.

[2] Text in Yellow Book, p. 19.

[3] English text in *The Times*, 19th February, 1924; German text in Yellow Book, p. 19.

[4] Before their departure the Mission secured the release of Dr. Jacob, the *Regierungspräsident* at Speyer, whom the Separatists had kept in prison as a hostage for three months. (*The Times*, 16th February, 1924.)

[5] The *Deutsche Allgemeine Zeitung*, 19th February, 1924.

[6] *The Times*, 16th and 21st February, 1924.

[7] Some of them appear to have been given posts in the Franco-Belgian Railway *Régie*. (See *The Times*, 28th February, 1924, and Yellow Book, p. 38.)

easily as it had been overthrown ; [1] and, early in March, the Rhineland High Commission decided to send its Special Committee to visit the Palatinate a second time.[2] The Mission arrived at Speyer on the 10th, and visited Pirmasens and Kaiserslautern on the 13th.[3] On this occasion the *Kreisausschuss*, by a unanimous resolution, laid down the provisional mandate which it had accepted on the 16th February.[4] The Mission seems to have procured General de Metz's consent to the re-arming of the German police and to a 'friendly reconsideration' of the cases of those officials who had been expelled by his authority ; [5] but an (unsuccessful) attempt upon the life of Herr Helfrich, the ex-Separatist 'Burgomaster' of Münchweiler, and the arrest of Herr Helfrich's son in Unoccupied Territory by the German police, on the charge of high treason, gave the General a pretext for suspending the return even of those persons who had been expelled from the Palatinate by the Separatists,[6] and for demanding an indemnity of 20,000 marks (gold) from the Kreis.[7] Although these measures were taken on the authority of M. Tirard, the French High Commissioner, they were popularly regarded as the handiwork of the General himself ; and, so long as he remained in the Palatinate the conditions there continued to be distinctly less satisfactory than in other parts of the Occupied Territory. The return to normality was heralded (after the execution of the London Agreements) [8] by the announcement in November that General de Metz was to be transferred from Speyer to Paris,[9] and was demonstrated by an official tour through the province which was made by the Bavarian Prime Minister, Herr Held, before the month was over.[10]

During the whole course of the Separatist Movement in the Occupied Territories, from September 1923 to February 1924, a diplomatic correspondence on the subject [11] was being carried on between the German and French Governments, in which the German Government, without departing from the conventions of diplomatic courtesy, built up, point by point, a formidable indictment. As for

[1] For the continuance of arbitrary action on the part of the French authorities see *The Times*, 12th March, 1924.
[2] *Ibid.*, 8th March ; *Le Temps*, 9th March, 1924.
[3] The *Deutsche Allgemeine Zeitung*, 15th March, 1924.
[4] *Loc. cit.*
[5] The *Deutsche Allgemeine Zeitung*, 18th March, 1924.
[6] *The Times*, 24th April ; the *Deutsche Allgemeine Zeitung*, 4th May, 1924.
[7] *Ibid.*, 29th May, 1924.
[8] See Section (vii), below.
[9] *The Times*, 19th November, 1924.
[10] The *Deutsche Allgemeine Zeitung*, 2nd December, 1924.
[11] Published in the German White Book (1924, No. 1).

the French replies,[1] they virtually let the French case go by default, and their general tone may be gathered from the following passage : [2]

> The French Government considers that it would be insulting the representatives of the Allied Powers in Coblenz, whose impartiality and concern for justice are above all suspicion, if it replied point by point to the accusations brought against these representatives by the German Government.

The last and most amply documented of the German notes,[3] which was delivered on the 20th February, 1924, was returned next day unanswered to the German Ambassador in Paris by M. de Peretti de la Rocca, on M. Poincaré's instructions, with the following message from the French Prime Minister :

> It is not for us to enter into discussions with the German Ambassador on the subject of the Separatist Movement in the Rhineland—a quarrel among Germans in which we have no desire to take part.[4]

This action of the French Government was made public by Dr. Stresemann in a speech delivered in the *Reichstag* on the 22nd February.[5] The French Government then announced that its intention had been, not to wound the feelings of the German Government, but to put an end to an unprofitable controversy.[6]

Notwithstanding the local amnesty which had been imposed in the Palatinate by the Inter-Allied Rhineland High Commission, the German Government took legal proceedings against any Separatists on whom they could lay hands. During May 1924, for instance, two trials were held at Stuttgart before the South-German Senate of the State Tribunal for the Protection of the Republic, and eight persons (none of whom had played a very prominent part in the Separatist campaign) were sentenced to terms of imprisonment with hard labour and temporary loss of civil rights, ranging from three years to six.[7] In July another trial was opened before the same tribunal at Hanau, but was prorogued owing to the refusal of the French representative at Rüdersheim, in the Occupied Territory, to allow the necessary witnesses from that place to appear.[8] The terms of the general amnesty which was afterwards incorporated in the third

[1] Texts in White Book, Nos. 4, 5, 6, 11, 12, 17, 19.
[2] From M. Poincaré's Note of the 12th December (White Book, No. 11).
[3] White Book, No. 18.
[4] Text in White Book, No. 19.
[5] *The Times* and the *Deutsche Allgemeine Zeitung*, 23rd February, 1924.
[6] *The Times*, 25th February; the *Deutsche Allgemeine Zeitung*, 26th February, 1924.
[7] The *Deutsche Allgemeine Zeitung*, 16th, 17th, and 18th May, 1924.
[8] *Ibid.*, 4th and 5th July, 1924.

of the London Agreements expressly reserved the German Government's right to bring to account German nationals who were charged with high treason.[1]

Features of the so-called 'Separatist Movement': Analysis of the Evidence.[2]

α. Public military organization of the Separatists.

At Düsseldorf, 30th September, 1923 (White Book, No. 7).
In the Palatinate (White Book, No. 16).
In the Ruhr [recruiting offices] (White Book, No. 18).
At Coblenz (White Book, No. 18).
Separatist documents concerning the raising and arming of bands and conduct of operations (Yellow Book, pp. 1–2, 4–6).
Identity cards (conferring the right to bear arms) of four members of the Separatist *Rheinlandschutz* organization (Yellow Book, p. 23; facsimiles, Heidelberg Documents, III, p. 24).
Exemption from curfew (Yellow Book, pp. 28–9).
Form of notification from the Separatists in the Palatinate to the French authorities that they intended to occupy such and such a place at such and such a date (Yellow Book, p. 33).
French billeting orders in favour of the Separatist leader Herr Matthes, Düsseldorf, 17th May and 20th June, 1924 (Yellow Book, pp. 39–40).

β. Distribution to Separatists by the French authorities of arms previously confiscated from the local German civil population.

In the Palatinate, November 1923 (White Book, No. 13).
At Kaiserslautern (White Book, No. 16, No. 18).
At Landau [contents of a gunsmith's shop commandeered and distributed to Separatists by a French officer] (White Book, No. 16, No. 18).
At Kreuznach (White Book, No. 18).
At Diez, 27th October, 1923 (White Book, No. 18).
At Ludwigshafen, 23rd November, 1923 [workmen in the employment of a contractor in the service of the Franco-Belgian *Régie* supplied with arms and paraded through the streets] (White Book, No. 18).
At Kirchheimbolanden (White Book, No. 18).

γ. Restoration to Separatists by the French authorities of arms taken from them by the German police.

At Bonn, 23rd October, 1923 (White Book, No. 7).
At Wiesbaden (White Book, No. 7).

δ. Transport of Separatists by the Franco-Belgian Railway Régie.

To Coblenz, 21st–22nd October, 1923 (White Book, No. 7, No. 18).
To Düsseldorf, 30th September, 1923 (White Book, No. 7, No. 18).
To the Palatinate, November 1923 (White Book, No. 13).
To Speyer (White Book, No. 18).

[1] See Section (vi), below.
[2] The references to White Book, Yellow Book, and Heidelberg Documents are to the publications referred to in the foot-note to p. 300, above.

To Pirmasens (White Book, No. 18).
To Landau (White Book, No. 18).
To Germersheim (White Book, No. 18).

ε. Railway stations placed by the French authorities at the disposal of Separatists as bases of operations.

At Coblenz, 21st–22nd October, 1923 (White Book, No. 7, No. 18).
At Düsseldorf, 30th September, 1923 (White Book, No. 7).

ζ. Disarming of German police by the French authorities before the arrival of the Separatists on the scene.

At Bonn, 22nd October, 1923 (White Book, No. 7).
At Wiesbaden, 23rd October, 1923 (White Book, No. 7).
In the Palatinate [*Selbstschutz* or Volunteer Police] (White Book, No. 13, No. 16, No. 18).
At Coblenz, 23rd October, 1923 (White Book, No. 18).
At Ludwigshafen, 23rd November, 1923 (White Book, No. 18).
At Pirmasens (White Book, No. 18).

η. German police forbidden by the French authorities to use fire-arms against the Separatists.

At Bonn, 21st–22nd October, 1923 (White Book, No. 7).
[Compare the Marquis de Lillers's message of the 22nd October to the German police at Wiesbaden (White Book, No. 7 ; text in Yellow Book, p. 33).]
At Coblenz, 22nd October, 1923 (White Book, No. 7, No. 18).
At Trier, 22nd October, 1923 (White Book, No. 7).
At Bonn, 22nd October, 1923 (White Book, No. 7, No. 18).
At Kaiserslautern, 5th November, 1923 (White Book, No. 8).
In the Palatinate (White Book, No. 16).
At Neustadt (White Book, No. 18).

θ. Screening by French troops of Separatists in action against German police.

At Düsseldorf, 30th September, 1923 (White Book, No. 18).
At Coblenz, 23rd October, 1923 (White Book, No. 7).
At Bonn, 22nd October, 1923 (White Book, No. 7).
In the Palatinate (White Book, No. 13).
At Germersheim (White Book, No. 16).
At Pirmasens (White Book, No. 18).
At Neustadt (White Book, No. 18).
At Germersheim (White Book, No. 18).

ι. Intervention of French authorities in order to enable Separatists to capture their objectives.

At Coblenz, 24th–26th October, 1923 (White Book, No. 7).
At Diez (White Book, No. 7, No. 18).
At Bonn, 23rd October, 1923 (White Book, No. 7).
At Ludwigshafen, 23rd November, 1923 (White Book, No. 18).
At Ludwigshafen, 26th November, 1923 (Yellow Book, p. 28).

κ. *Attempts to eject Separatists from public buildings checked by French intervention.*

At Bonn, 25th October, 1923 (White Book, No. 7, No. 18).
At Wiesbaden, 24th October, 1923 (White Book, No. 7).
At Rüdersheim (White Book, No. 18).
At Coblenz (White Book, No. 18).
At Speyer, 11th November, 1923 (White Book, No. 18).
At Lauterecken, January 1924 (*The Times*, 26th and 28th January, 1924).

λ. *Pressure brought to bear by French authorities upon German officials to carry out their work under the Separatist régime.*

At Coblenz, 26th October, 1923 (White Book, No. 7).
At Trier, 24th October, 1923 (White Book, No. 7).
At Diez, 29th October, 1923 (White Book, No. 7, No. 18).
At Kirchheimbolanden [Palatinate] (White Book, No. 8).
In the Palatinate (White Book, No. 13, No. 16).
At Kreuznach (White Book, No. 18).

μ. *Free railway passes and free ration indents granted to Separatists.*

At Trier (White Book, No. 7).
In the Palatinate (White Book, No. 13, No. 16).
At Wiesbaden (White Book, No. 18).
At Landau (White Book, No. 18).
In the Palatinate (Yellow Book, pp. 23–4).
Ration Indents (Yellow Book, pp. 24–5).
Facsimiles of *Régie* railway passes for Separatists (Heidelberg Documents, III, pp. 21–3).

ν. *Separatist Notyeld.*

At Meyen and Andernach (White Book, No. 9).
At Kreuznach, 31st October, 1923 (Yellow Book, p. 26).

ξ. *Expulsions and deportations by the Separatists with French connivance.*

At Trier [with actual assistance of French gendarmes] (White Book, No. 7).
In the Palatinate (White Book, No. 13, No. 18).
Facsimiles of expulsion orders (Heidelberg Documents, III, p. 31).

ο. *Criminal elements in the Separatists ranks.*

White Book, No. 18.
Yellow Book, p. 6.
Heidelberg Documents, III, p. 28.
Schwaab, the Separatist Commissary at Pirmasens (*The Times*, 6th February, 1924).

(iv) The Negotiations between the Powers from the 2nd May to the 19th September, 1923.

While the German people and Government were replying to the Franco-Belgian invasion of the Ruhr by the 'direct action' which has been described in Section (ii), Germany twice took the initiative in reopening the diplomatic discussion of the Reparation Problem which had been broken off at the Paris Conference of the 2nd–4th January, in the hope that a solution on this plane might bring the struggle in the Ruhr to an end on tolerable conditions. During these negotiations Belgium, without retreating from the stand which she had taken by the side of France on the 6th–9th January, made an attempt to bring France and Great Britain together.[1] Although, for reasons already explained, the Belgian statesmen had decided to maintain their solidarity with France even at the cost of following where M. Poincaré's policy led them, they regarded the occupation of the Ruhr as a temporary means to a limited end ;[2] they were conscious that 'the reconstitution of the Western Entente' was almost as necessary as the individual support of France for the permanent security of their country ; and they were also aware of the damage which Belgium would suffer if she were to alienate

[1] For an authoritative account of Belgium's attitude towards her two West European Allies from the time of the peace settlement down to the eve of the London Conference of the 16th July–16th August, 1924, see the translation (reprinted from the *Journal* of the British Institute of International Affairs) of a paper read to the Institute on the 27th May, 1924, by M. Jaspar, particularly the following passage :

> 'The Belgian post-war Governments have constantly striven to prevent the end of the Western Entente during the various negotiations and conferences which took place after the signature of the Peace Treaty. They never aspired to play a part disproportionate to their importance ; they never said, as some publicists and critics have done, that they acted as arbiters and mediators when their friends did not agree. It would have been childish. But they endeavoured, conscientiously and loyally, to keep their friends together, and they endeavoured, often laboriously and sometimes successfully, to suggest conciliatory solutions.'

M. Jaspar proceeded to support this claim by a number of illustrations taken from the history of the preceding four years. For a Belgian criticism of the policy, here expounded by M. Jaspar, see the report (in *Le Temps*, 18th January, 1924) of a speech delivered on the 16th January, 1924, in the Belgian Senate, by M. Ch. Maquette (Lib.).

[2] This was emphasized in the following passage in a note, dated the 17th May, 1923, from the Belgian Minister for Foreign Affairs to the Belgian Ambassador in Paris : 'L'occupation de la Ruhr par le Gouvernment belge n'a jamais été qu'un moyen de pression aux fins d'obtenir paiement des réparations allemandes. Ni directement ni indirectement en termes exprès ou tacitement nous ne pourrions admettre que le caractère en soit dénaturé. Il en serait ainsi, notamment, si elle devait se prolonger au delà du temps nécessaire à l'obtention du but que nous avons poursuivi.' (Belgian Grey Book, Doc. 23 ; see also Doc. 30, concluding paragraph.)

the public opinion of the world by gaining a reputation for intransigence.[1] This effort failed because the resumption of diplomatic correspondence which Germany had initiated and Belgium had promoted led M. Poincaré and Lord Curzon to enunciate the opposing French and British views with greater precision and vehemence than before, so that the immediate effect was to widen the diplomatic gulf without contributing to the pacification of the Ruhr. The correspondence did, however, give vent to the suggestion for an Expert Committee (other than the Reparation Commission, though its relations with that body remained to be defined) and thus provided a starting-point for the next diplomatic overtures, which were attended with better success.[2]

The negotiations were opened by a note from Germany to the Principal Allied and Associated Powers and Belgium dated the 2nd May,[3] in which she made new proposals for a general settlement of the Reparation Problem, 'though without abandoning her juridical standpoint or renouncing passive resistance, which would be continued until the districts occupied beyond the terms of the Versailles Treaty had been evacuated and a legal state of affairs had been re-established in the Rhineland.' Subject to this reservation, and to the observation that her credit could not be restored without a foreign loan, Germany now suggested that her total Reparation liability should be fixed at thirty milliard marks (gold) to be raised by the flotation of loans, on ordinary conditions, on the international market—twenty milliards by the 1st July, 1927, five more by the 1st July, 1929, and the last five by the 1st July, 1931. Interest up to the 1st July, 1927, was to be paid out of the capital raised in the first issue; any balance of the twenty milliards not covered was to be funded at 5 per cent. interest and 1 per cent. sinking fund; and if it were found impossible to raise the two subsequent instalments on normal conditions, 'an impartial international commission' (to consist either of the consortium which had advanced the first twenty milliards, or of a committee of international business

[1] Belgian Grey Book, Docs. 19 and 30.

[2] The history of the Expert Committees, from the British note of the 12th October, 1923, onwards, is dealt with in Section (v), below.

[3] Text in Belgian Grey Book, Doc. 20: 'As early as April 13th, 1923, that is to say, three months after the entry into the Ruhr, they [i.e. the Belgian Government] tried to reach an understanding with the French Government with a view to obtaining from the French and Belgian delegations on the Reparation Commission a plan which could be submitted to her English and Italian Allies, and which might form the basis of a common answer to Germany on the day when the latter should end her resistance.' (M. Jaspar, *loc. cit.*, p. 10.)

men on which Germany was to be represented on a footing of equality, or of representatives of the German Government and the Reparation Commission with a third member to be appointed, in the last resort, by the President of the United States) was to determine 'whether, when, and how' the balance was to be raised, and 'whether, when, and how' the interest was eventually to be paid on the first twenty milliards. There were also to be deliveries in kind; and this offer represented Germany's maximum capacity; but in case of doubt she was willing 'to submit the entire Reparation Problem to an international commission independent of every political influence'. She would negotiate with the proposed international consortium and with the Reparation Commission for the assignment of specific guarantees. The offer depended, however, on the stabilization of the German currency (a step which would incidentally safeguard other industrial countries against unfair German competition); upon the violent seizure of pledges and application of sanctions being ruled out for the future; upon the earliest possible restoration of 'unity of administration' for the whole of Germany; and upon the suppression of the provisions in the Versailles Treaty for the penalization of Germany in international trade. Negotiations must start from the restoration of the *status quo ante*, which would involve 'that the districts occupied beyond the terms of the Versailles Treaty should be evacuated, a legal state of affairs in the Rhineland re-established, imprisoned German citizens released, and expelled persons reinstated in their places of residence and in their official positions'.[1]

On the 6th May France and Belgium rejected these German proposals in an identic note,[2] in which they maintained that passive resistance in the Ruhr was not spontaneous but had been 'willed and organized' by the German Government; declared that they 'would be unable to consider any German proposals so long as this resistance continued'; and announced that in any case the present proposals were 'totally unacceptable from several points of view'. The figures suggested were inadequate; the Reparation Commission could not be superseded by any kind of international committee; the reference to specific guarantees was itself vague and obscure. France and Belgium had decided 'that they would only evacuate the newly-occupied territories in proportion as payments were

[1] The question of French security was also reopened by a proposal for a Franco-German treaty to introduce compulsory arbitration.

[2] Belgian Grey Book, Doc. 22.

effected. They saw no reason to modify this resolution', and they could not refrain from observing 'that the German note, from beginning to end, is nothing but the scarcely-veiled expression of a systematic revolt against the Treaty of Versailles'.

In less energetic terms, these German proposals of the 2nd May were also rejected by Great Britain and Italy on the 13th and by Japan on the 15th; but the British Government took occasion to invite the German Government to make a fresh offer, and, in anticipation of this, the Belgian Government prepared 'three studies relative to the Reparation Problem examined in its relations with the financial capacity of Germany', which it submitted [1] to the French Government on the 24th May. The first of these studies [2] discussed the receipts which might be realized, for the benefit of the Powers entitled to Reparation, by farming out to private capitalists the exploitation of the German State Railways and the monopoly of certain articles of consumption, and by resuming deliveries of Reparation coal, after the German currency had been stabilized and the Budget balanced under a moratorium. The second study [3] suggested in a more tentative way the participation of the Reparation Commission in the profits of German private business enterprises; and the third [4] was an attempt to demonstrate that the diversion to Reparation account of the sources of German public revenue envisaged in the two preceding studies would not necessarily prevent the German Budget from balancing.

In a note dated the 7th June [5] Germany duly addressed a fresh series of proposals to those Powers to whom she had circulated the proposals of the 2nd May. This new German memorandum started with the proposition that 'the question of Germany's capacity to pay was after all a question of fact', and with an offer 'to furnish all the materials for a trustworthy estimate of German capacity'. The German Government would 'permit, on demand, a full inspection of the public financial administration and would give all information that might be called for in regard to the resources of Germany's national economic life'. One of the criticisms contained in the Franco-Belgian note of the 6th May was met this time by a definite offer of specific guarantees. The State Railways should

[1] Belgian Grey Book, Doc. 24; Jaspar, *loc. cit.*, p. 11.
[2] Belgian Grey Book, Doc. 30, Annex 1.
[3] *Doc. cit.*, Annex 2.
[4] *Doc. cit.*, Annex 3.
[5] Belgian Grey Book, Doc. 27; British White Paper, *Correspondence with the Allied Governments respecting Reparation Payments by Germany* (*Cmd.* 1943 of 1923), Doc. 1.

be turned into a 'separate property' with its own balance sheet (independent of the Budget of the *Reich*) and its own (autonomous) administration, and this concern should then issue first mortgage gold bonds, for the service of Reparation, to the extent of 10,000,000,000 marks (gold), bearing interest at 5 per cent. (amounting to 500,000,000 marks (gold) per annum) from the 1st July, 1927. A further annuity of 500,000,000 should be paid from the same date out of additional taxation secured by a mortgage upon landed property (industrial, urban, agricultural, and forest) up to a capital value of ten milliards. The profits of the brandy monopoly and the taxes on the consumption of certain commodities were offered as additional pledges. The note ended with a plea for the resumption of oral exchanges of views in place of the present correspondence in writing.

The Belgian Government regarded these proposals also as unsatisfactory.[1] There was still no renunciation of passive resistance; there was still a demand for the substitution of some other body for the Reparation Commission; and the date and amount of the first payments suggested, and the form and amount of the specific guarantees offered, were still inadequate. The proposals of the 7th June did, however, mark an advance upon those of the 2nd May, and a collective reply from all the Powers concerned was, therefore, desirable if possible; but, while pressing this point upon France, Belgium at the same time accepted M. Poincaré's condition that, if there was to be a collective reply, Great Britain and Italy must join in advising Germany to abandon passive resistance to France and Belgium in the Ruhr.[2] Accordingly, on the 11th June, the French and Belgian diplomatic representatives in London suggested verbally to Lord Curzon, in the course of separate conversations, that the new German overtures should be answered, in the first instance, by a simple collective demand that passive resistance should cease. If Germany yielded on this point, then there might be a fresh 'constructive' attempt at a solution of the Reparation Problem, and, as a basis for this, the Belgian Minister communicated to the British Secretary of State, at the same interview, the three Belgian studies which had been submitted to the French Government on the 24th May and had been accepted, in substance, by M. Poincaré.[3]

[1] Belgian Grey Book, Doc. 29. [2] *Ibid.*, Doc. 28.

[3] *Ibid.*, Docs. 30 and 32. For the French Government's endorsement of the Belgian studies see *ibid.*, Doc. 30, and the note of the 6th July from the French to the British Government (*Cmd.* 1943, Doc. 4, § 5, p. 17).

On the same date, the French Ambassador communicated a more summary statement of the conditions upon which, if passive resistance were abandoned, the French Government would be prepared to discuss the new German proposals. The occupation of the Ruhr was to continue, though with mitigations; France was not to be asked to sacrifice any of her share of 'A' and 'B' bonds, though she would be prepared to set off 'C' bonds against inter-Allied debts; and even if Germany were to be granted a moratorium, she must hand over certain of her resources to the Allies immediately [1]—the revenues from these resources, as far as they lay in the Occupied Territory, to be collected by the Allies themselves.

On the 13th June Lord Curzon took up the French Ambassador's statement of conditions in a note drafted in the form of a *questionnaire*,[2] a copy of which was sent to the Belgian Minister simultaneously. By 'the cessation of passive resistance', did the French Government mean the withdrawal of the German Government's enactments, or did it mean the complete abandonment of non-co-operation with the French authorities on the part of inhabitants or groups of inhabitants of the newly occupied territories? Was the active co-operation of the German population in the proceedings of the French authorities demanded? And if merely the withdrawal of official enactments was meant, would this 'be followed by the return of the evicted and imprisoned population to their homes and the restoration of their properties?' What inducements were to be held out to Germany to abandon passive resistance; and on what terms, and for what period, was the occupation of the Ruhr to continue if she did abandon it? Finally, Lord Curzon suggested that since, as the French Government itself had repeatedly declared, the elimination of Germany's passive resistance was only a means to an end, and since that end was the payment of Reparation, it was highly desirable that a definite, practical, and equitable plan for a settlement of the Reparation Problem, to be applied as soon as passive resistance had ceased, should be ready beforehand. 'The knowledge that it was available would offer the strongest inducement to the German Government to cease passive resistance.' In conclusion, Lord Curzon repeated the objections to the French proposal

[1] e.g. The railways on the left bank of the Rhine could be handed over to a company in which France, Belgium, Great Britain, and even the Rhineland would hold shares. Certain coal-mines in the Ruhr appropriated by the German *Reich* 'might be handed over under similar conditions to an inter-Allied company'.

[2] Text in Belgian Grey Book, Doc. 34, and in *Cmd.* 1943, Doc. 2.

regarding the disposal of the 'A', 'B', and 'C' bonds which had been raised by Mr. Bonar Law at the Paris Conference of the preceding January, and expressed the opinion that the immediate and continued payments demanded by France from Germany would render a moratorium nugatory.

On the 3rd July an answer to this *questionnaire* was received from the Belgian Government,[1] in which it was stated that the demand for the cessation of passive resistance referred to the action of the German Government and not to that of the local population ;[2] that the latter were not required to co-operate with, but merely to refrain from obstructing, the occupying authorities ; that, if passive resistance ceased in this sense, a certain number of those who had been imprisoned and expelled might be pardoned and authorized to return ;[3] and that, in the same event, the nature of the occupation would be modified in the sense of a gradual return to the measures indicated in the notification made to the German Government on the preceding 10th January.[4]

The answer from the French Government[5] was received on the 6th July. It opened, in a less conciliatory tone than the Belgian answer, with an assertion of the legality of the occupation of the Ruhr under the Versailles Treaty ; and continued with a renewed declaration that 'the French and Belgian Governments are determined to refuse to examine any German proposal until resistance has been abandoned' ; a prophecy that, if the British Government joined in demanding it, the cessation of resistance would be attained more quickly, but that, even if the Franco-Belgian efforts were to remain isolated, they would eventually produce the same result ; and a request that the present exchanges of views between the Allies should be kept confidential for the time being. This said, the French Government gave substantially the same answers as the Belgian Government had given to the British Government's specific questions. It added, however, that British mediation between France and Germany on the subject of passive resistance was the last thing that France desired, and that the offer of 'inducements' would be not only useless but dangerous. As to the solution of the Reparation

[1] Belgian Grey Book, Doc. 37 ; *Cmd.* 1943, Doc. 3.

[2] So long as action on their part was not taken under direct or indirect orders from Berlin.

[3] 'But each case would require individual examination. Moreover, no amnesty could be granted for acts of violence or sabotage committed against the occupying authorities.'

[4] See p. 268, above.

[5] *Cmd.* 1943, Doc. 4.

Problem, that had been provided for in the Versailles Treaty, which was both adequate and sacrosanct. 'The French Government, who abide by the Treaty and simply demand its application, have no proposal to make. It is for those of their Allies who consider it necessary to make fresh dispositions to define the latter and to indicate at the same time how they can reconcile these with the decisions of the Parliaments which have approved the Treaty of Versailles and authorized its ratification.' The French Government held 'themselves entirely ready to continue this cordial exchange of views through the diplomatic channel'.

This communication from the French Government revived several controversies of old standing; but, instead of making a counter-reply, Lord Curzon, on the 20th July, circulated a note [1] to the four other Allied Governments concerned, in which he enclosed a draft identic reply to the two German notes of the 2nd May and the 7th June. The covering note contained a reminder of the losses entailed in a prolongation of the existing state of affairs. 'The question of Reparations remains in suspense and, while reasons for inaction or for refusal to take any action but that which commends itself to this or that Power abound, the international situation becomes weekly, and indeed daily, more acute; the occupation of the Ruhr, whether justified or not in its conception, fails to produce the desired effect; Allied unity is strained; payments by Germany on any adequate scale are not forthcoming. Moreover, the steady deterioration of German currency renders it impracticable for her to meet her liabilities under the Schedule of Payments fixed in May 1921,' and 'as long as the most highly developed area of German industrial life remains under military rule, and is made the scene of political agitation, it is difficult to see how the economic problem can be solved. It may be possible to break Germany's power of resistance by such means, but it will be at the price of that very recovery upon which the Allied policy depends for its ultimate success.' This warning served to introduce plans for joint action, which were summarized as follows:

1. The German Government to undertake to abandon the policy of passive resistance;
2. Steps to be taken upon the cessation of passive resistance for the resumption of the civil administration of the Ruhr and to provide for the progressive evacuation of those areas;
3. A body of impartial experts to be set up, charged with the duty of advising the Allied Governments and the Reparation Commission

[1] Belgian Grey Book, Doc. 40; *Cmd.* 1943, Doc. 5.

respectively as to Germany's capacity to pay, and as to the mode of payment to be prescribed. The co-operation of an American expert to be sought and arrangements to be made for German experts to be consulted and heard ;

4. The same body, or a body similarly constituted, to be asked to advise the Reparation Commission as to the economic sureties and guarantees to be pledged by Germany to the Allies ;

5. Inter-Allied discussions to be opened with as little delay as possible, whether by conference or otherwise, for the purpose of elaborating a comprehensive plan of a general and final financial settlement ;

6. So soon as the economic sureties and guarantees which Germany will have pledged to the Allies have been put into effective operation, the occupation of all German territory outside the limits laid down in the Treaty of Versailles to come to an end.

A first step towards the execution of these plans was offered in the annexed draft of an identic reply to the German Government. In this draft, the German suggestion that Germany's capacity to pay should be examined by ' competent and impartial experts ' was cautiously but favourably acknowledged, with the comment that ' if a binding arrangement were entered into concerning the discharge of the entire liability, as thus determined, and as to the guarantees or sureties to be taken for the regular and complete payment of the total debt, the whole problem would assume a different aspect '. A verdict upon the guarantees offered in the second German note was reserved ; a stipulation was made for ' some form of international control of German financial administration ' ; and in the concluding paragraphs the German Government was tactfully invited to withdraw the ' passive resistance ' decrees, with an intimation that this step would be followed by a mitigation of conditions in the Ruhr itself and ' a gradual return to the normal features of industrial life '.

This British communication of the 20th July was answered by the French and Belgian Governments separately on the 30th.[1] The Belgian Government continued privately to hope for a restoration of the Entente and considered that ' the draft of an identic reply to Germany is certainly preferable to the covering note—so much so that it does not seem to need serious modification, at any rate so far as the ideas expressed in it are concerned ' ;[2] but, since it took exception to a number of points in the covering note and regarded the note and the draft as inseparable, it made no direct allusion to

[1] Text of Belgian reply in Belgian Grey Book, Doc. 43, and in *Cmd.* 1943, Doc. 7 ; Text of French reply in *Cmd.* 1943, Doc. 6.

[2] Belgian Grey Book, Doc. 41 (confidential memorandum by the Belgian Minister for Foreign Affairs).

the draft in its reply, and merely expressed the opinion that, if certain Belgian demands were fulfilled, ' agreement could be reached on the text ' of a joint reply to Germany.[1] The principal demands were that, if the Reparation Problem was to be approached as the British Government proposed, ' by deciding, not Germany's obligations, but her capacity to pay,' those Allied countries ' which had suffered particularly from the War ' should ' obtain an alleviation corresponding to that which might eventually be granted to Germany ', and that this should take the shape of the cancellation of inter-Allied debts and the establishment of a Reparation priority for devastated areas.[2] On these conditions the Belgian Government would see no inconvenience in assistance being given to the Reparation Commission by ' competent ' experts, though it objected to the epithet ' impartial ' as implying a reflection upon the Reparation Commission themselves. While welcoming the inclination shown by Great Britain to join Belgium and France in demanding from Germany that passive resistance should cease, the Belgian Government offered no inducements to that end except a gradual return to the measures indicated in the original Franco-Belgian notification to Germany of the 10th January.

If this Belgian reply was unsatisfactory to the British Government,[3] the communication received on the same date from the French Ambassador [4] was still more so, for this document not only ignored the British draft but made no allusion whatever to the suggestion of a joint reply to the German overtures, while it dismissed the question of security, which had been raised as a conciliatory gesture in the concluding sentences of Lord Curzon's note of the 20th July, and had been welcomed as such in the Belgian answer, with the curt observation that ' it had nothing to do with the occupation of the Ruhr ', and that ' it seemed preferable that the two questions should be considered separately '. For the rest, the French Government denied that the German proposals indicated any desire to submit to the Versailles Treaty ; repeated that ' France and Belgium will not evacuate the Ruhr except in proportion to the payments made by the German Government ' ; vouchsafed that,

[1] For an attempt to explain away the apparent discourtesy of this passage see a dispatch of the 6th August from the Belgian Minister for Foreign Affairs to the Belgian Minister in London (Grey Book, Doc. 47).

[2] The Belgian Government supported this latter demand, as far as Belgium was concerned, by reference to the Declaration made to Belgium by her Allies at Sainte-Adresse on the 14th February, 1916.

[3] For its reception by Lord Curzon see Belgian Grey Book, Doc. 44.

[4] Text in *Cmd.* 1943, Doc. 6.

if passive resistance ceased completely, the two Powers would introduce into their occupation such modifications as they considered compatible with the safety of the pledge in their hands ; and traversed the British contention that the occupation of the Ruhr had not produced the desired effect, on the ground that ' it was in no wise a question of seeking there the immediate and total payment of Reparations ', but that ' what we wanted was, first and foremost, to create in Germany, by a seizure of pledges and by coercion, the will to pay ; it was to cause such inconvenience in the economic and political organization of the *Reich* that it would prefer the execution of the Treaty of Peace to this inconvenience '. The present ruin of Germany was not the work of the occupation of the Ruhr ; it was the work of the *Reich* itself. Passive resistance, which was the principal obstacle to a return to normality, would cease of itself if the Allies presented a united front, ' the population being quite averse from it and even opposed to it.' The abandonment of passive resistance must be preliminary to any negotiations with Germany, and could not possibly be accompanied by any simultaneous concessions ; for the French and Belgian Governments had already declared this publicly, and ' to go back on such a declaration would be to impose on these Governments a veritable disavowal, which would be a success for Germany '. As for the suggested reconsideration of the Reparation Problem, ' it is permissible to wonder why an estimate made to-day by experts, whoever they may be, should be more exact than that which was made in 1921, and why figures fixed to-day should be still correct in ten or fifteen years.' The Versailles Treaty had provided for all eventualities in creating the Reparation Commission ; there was no reason why the latter should be deprived of their powers ; and the French Government took the same exception as the Belgian Government had done to the implications of the word ' impartial ' as applied to the proposed Committee of Experts. The six points of the British note of the 12th July were countered by the formulation of the following six demands :

1. The German Government to undertake to abandon the policy of passive resistance ;

2. There can be no ambiguity with regard to the progressive evacuation of the Ruhr : it will be carried out according as payments are made. Cessation of passive resistance will itself lead to the resumption of economic life in the Ruhr ;

3 and 4. As regarded the ' Conference of Impartial Experts ', the French Government would like the British Government to explain how

any other organ could possibly be better than the Reparation Commission ;

5. As regarded the ' comprehensive plan for a general and definitive financial settlement ', was not such a plan already embodied in the Versailles Treaty ?

6. As regarded the evacuation of the newly occupied territories, France and Belgium could only repeat ' that they will not evacuate the Ruhr except against effective payments by Germany and in proportion as these payments are made '.

The British Government had still to receive replies from Italy and Japan, and these were communicated on the 2nd and the 3rd August respectively,[1] but they provided no materials for bridging the gulf between the French and British positions which the French Government had once more enlarged, and the correspondence was, therefore, concluded with two formidable documents, in which Lord Curzon and M. Poincaré gave a brilliant and characteristic display of their respective abilities, no longer with the now unattainable object of reaching common ground, but in order to present full, final, and effective statements of the British and the French case for judgement by the public opinion of the world.

In an identic note addressed on the 11th August, 1923, to the French and Belgian Governments,[2] Lord Curzon gave expression to the ' most sincere disappointment ' which had been caused to His Majesty's Government by the communications received on the 30th July, which left ' a painful impression ' of intransigence—an impression which was made by the Belgian note no less than by the French, in spite of the fact that ' it appeared at first sight to be less uncompromising '. As the price of consenting to an investigation of Germany's capacity to pay—that is, to the establishment of a fact of supreme importance to all her creditors—France and Belgium were demanding ' pecuniary advantages of a far-reaching kind at the expense of their Allies, and notably of Great Britain '. ' It was difficult to see on what grounds a failure of Germany to meet her obligations, by which Great Britain was proportionately damnified equally with her Allies, could be held to justify a claim by France to be placed, at the expense of her Allies, in a far more favourable position than she would have occupied under the Schedule of Payments itself,' while ' the Belgian proposal to grant a special priority for the restoration of devastated areas seemed to rest on a somewhat artificial distinction as regards damages inflicted by the

[1] *Cmd.* 1943, Docs. 8 and 9.
[2] Belgian Grey Book, Doc. 53 ; *Cmd.* 1943, Doc. 10.

enemy in the late War'. 'Sunk ships and cargoes rotting at the bottom of the sea might not shock the eye like the ruined villages of France and Belgium, but they were equally heavy losses of national wealth.' In fine, Great Britain could not consent to a modification of the Spa percentages in favour of France and Belgium. As regarded 'the special qualifications' of the Reparation Commission to carry out any necessary inquiries themselves, 'this was a claim which could not be sustained without serious qualification. In the absence of an American representative (as originally contemplated), France and Belgium were in a position, with the aid of the casting vote of the French Chairman, to carry any resolution over the heads of the British and Italian representatives, and it was notorious that in these circumstances the Commission had become in practice an instrument of Franco-Belgian policy alone.'

As for the interpretation of § 18, Annex II, Part VIII, of the Versailles Treaty, 'the highest legal authorities in Great Britain had advised His Majesty's Government that the contention of the German Government was well founded, and His Majesty's Government had never concealed their view that the Franco-Belgian action in occupying the Ruhr, quite apart from the question of expediency, was not a sanction authorized by the Treaty itself.' The British Government was prepared to submit this question to arbitration.[1] As regarded the date of the evacuation of the Ruhr, the reiterated announcements that complete evacuation would not take place until the total German Reparation liability had been integrally discharged, 'coupled with the insistence on leaving undiminished the total of 132 milliards of German indebtedness under the head

[1] For references to discussions of the legality of the Ruhr occupation see foot-note to p. 271, above. In the following paragraphs, which were perhaps the least effective passage in the note, Lord Curzon attempted to acquit the British Government of inconsistency in having twice joined in the presentation of an ultimatum threatening the occupation of the Ruhr, and having actually participated in the occupation of Düsseldorf, Duisburg, and Ruhrort. These previous acts of the British Government of course laid it open, as soon as it raised the question of legality, to a retort *ad hominem* which was telling from the debating point of view, and of which M. Poincaré took full advantage, as will shortly be seen. If, however, these acts were to be used as a specific legal precedent, and not simply as a general moral precedent, for the Franco-Belgian occupation of the Ruhr, it was necessary to demonstrate that they had been taken by the British Government explicitly on the strength of § 18, and this, of course, was not the case. Moreover, even if the British Government had taken action, on these previous occasions, which was strictly parallel, both in its nature and in its legal basis, to the Franco-Belgian action which began on the 11th January, 1923, that would not settle the question whether the Franco-Belgian action was in fact legal, though it might 'estop' the British Government from contesting its legality.

of Reparations, could only be interpreted as an intention to remain in occupation of the Ruhr for a number of years which, at best, could not be less than 36 (this being the minimum period over which the discharge of the debt was spread under the Schedule of Payments) and which, in view of the generally admitted improbability of the complete execution of the Schedule being found practicable under any circumstances, might be extended indefinitely, if not in perpetuity.' This would virtually constitute a threat to international peace of the kind envisaged in Article 11 of the Covenant of the League of Nations, and it was impossible to believe that 'the French and Belgian Governments would be able to reconcile the opinion of the world to the indefinite maintenance of so perilous a situation'. The note then passed to the new and important announcement that 'Great Britain was ready, subject to the just claims of other parts of the Empire, to limit her demands for payment by the Allies and by Germany together to a net sum approximating 14·2 milliards of gold marks, this sum representing the present value of the recently funded British debt to the United States Government'.[1] The concluding sentence expressed the reluctance of His Majesty's Government 'to contemplate the possibility that separate action might be required in order to hasten a settlement which could not be much longer delayed without the gravest consequences to the recovery of trade and the peace of the world'.

This note was answered by M. Poincaré, with equal vigour and ability, in an *exposé* dated the 20th August, 1923, to which was attached a *réfutation*, paragraph by paragraph, of Lord Curzon's text.[2] The *exposé* opened with a history of the Reparation Problem from the making of the Versailles Treaty down to the moment of writing, in which the description of each successive phase added some fresh stroke to the picture of German default, evasion, and resistance, as seen through M. Poincaré's eyes. The most brilliant section was that on the legality of the occupation of the Ruhr, in which the French interpretation of the now famous paragraphs 17 and 18 was reaffirmed, and an exhaustive account was given of the occasions previous to the 10th January, 1923, on which the British Government had contemplated or threatened an occupation of the Ruhr as a sanction against German default in the payment of Reparation. Passing to the Franco-Belgian occupation itself, M. Poincaré characterized the procedure notified to the German Government on

[1] This was elaborated in an annexed *Memorandum on Inter-Allied Debts*, in which the history of the question was reviewed.

[2] Full texts of *exposé* and *réfutation* in *Le Temps*, 23rd August, 1923.

the 10th January as 'an amicable arrangement, a peaceful collaboration which we were offering to Germany in all sincerity in entering the Ruhr'. He denied altogether that the German resistance had been spontaneous, and maintained on the contrary that it had been forced upon an unwilling population by the Berlin Government. As for the conditions of evacuation, 'we repeat once more that we have no desire to stay in the Ruhr longer than is necessary and that we have no political aims and no intentions of annexing territory. We know perfectly well that Germany can pay us what she owes us quite quickly, and that consequently she has it in her own hands to secure progressive evacuation. The date at which payments are made depends on Germany's will'—and to prove this thesis that the necessary financial effort depended purely on the will of the country concerned, he cited the financial rehabilitation of Austria![1] In regard to the relation between German Reparation and Inter-Allied Debts, and to Germany's capacity to pay, he merely repeated, though perhaps in greater detail and with greater emphasis than before, what he had said and written so many times already. France would abandon none of her 'A' and 'B' bonds, and she would only remit 'C' bonds to Germany in proportion as her own debts to her Allies were remitted to her; the determination of Germany's capacity was provided for in the Versailles Treaty and there was no reason for superseding the Reparation Commission. In two effective parting shots, he pointed out first that, hitherto, all declarations of German default from which the British delegate on the Reparation Commission had dissociated himself had been passed by three votes to one (the Italian delegate voting with the French and the Belgian), so that the French President's casting vote had not in fact been exercised; and secondly that Belgium and France, by themselves, possessed 60 per cent. of the Allied claims against Germany. 'The British Government often accuses the French Government of taking a delight in abstract theories and not paying sufficient attention to economic and financial realities. As it happens, we too want to look at things as they are. But if we are to handle the question as business men, what are we to say of a company in which shareholders representing 60 per cent. of the shares can be put in a minority by others holding only 20 per cent.?' The note concluded with a complaint against the publicity which had been given to the negotiations by the British Government and with a demand that, 'whether they were continued to-morrow between allies or, after the cessation of passive resistance, with Germany', they should be 'pursued with

[1] See *Survey, 1920–3*, pp. 311–28.

more discretion'. The substance of the *exposé* was repeated in different form in the *réfutation*.

M. Poincaré's reply of the 20th August was followed on the 27th by a communication from M. Jaspar, the Belgian Minister for Foreign Affairs, to the British Minister at Brussels [1] covering: (*a*) observations on the British note of the 11th August; and (*b*) supplementary explanations of the suggestions for the settlement of the Reparation Problem contained in the Belgian note of the 30th July. In the former of these memoranda, M. Jaspar once more excused himself for having appeared to ignore the draft identic reply to the German proposals which had been attached to the British note of the 20th July; declared that the suggestions for a reply which had been offered by the Belgian Government had always been subject to modification; reaffirmed the legality of the occupation of the Ruhr, while denying any intention of continuing it indefinitely; reviewed at length the history of Belgian Reparation priority; and set out the actual values received up to date by Belgium from Germany. In the second memorandum he explained that by priority for the restoration of devastated areas he had meant priority for material damages over personal damages (such as those indemnified by pensions), and that he included British losses of ships and cargoes in the former category. He claimed that 'the payments made by Germany should be divided between the Allies proportionately to the respective total of their material damage'; but this would presumably involve a modification of the Spa percentages, and in another passage he reasserted the principle, which the British Government had steadily refused to admit, that the Spa percentages had been relative to the total liability of Germany embodied in the Schedule of Payments of the 5th May, 1921, and that 'a modification of the second agreement calls for a readjustment of the first'. M. Jaspar concluded by expressing the view that the 'discussion had progressed' as a result of the past few months' negotiations, and that 'the problem has sufficiently advanced for amicable and discreet conversations between the Allied ministers to take place, not of course in the form of a conference properly so called. In its note of the 20th July the British Government put forward an analogous idea in proposing the opening of inter-Allied conversations. In its reply of the 20th August, the French Government asks that the negotiations should be conducted with more discretion. The Belgian Government associates itself with

[1] Belgian Grey Book, Doc. 54; *The Times*, 29th August, 1923.

both these suggestions and believes that the interviews which it contemplates would be of a nature to meet the case.'

In fact, however, this Belgian note of the 27th August marked the failure of the Belgian Government's effort to restore the entente between Great Britain and France ; and while the position in the Ruhr, and therewith the financial and economic prospects of Western Europe, had gone steadily from bad to worse, the voluminous correspondence that had passed between Berlin, Brussels, Paris, and London had apparently resulted in nothing but a barren accentuation of the points of disagreement. In the eyes of the majority of their respective countrymen (in so far as they took an interest in international affairs) Lord Curzon and M. Poincaré had each delivered a *coup de grâce* to the other, yet the same statesmen continued in power and the old problem remained to be solved. Nor was a solution brought any nearer by a mere reversal of procedure. On the 19th September, for example, the British Prime Minister broke a journey to London from Aix-les-Bains, where he had been taking the waters, in order to pay a personal call upon his French colleague in Paris, the results of which were conveyed to the public in the following brief but reassuring communiqué :

> A meeting of the Prime Ministers of France and Great Britain took place this afternoon, of which they took advantage to proceed to an exchange of views on the general political situation. It is not to be expected that in the course of one meeting M. Poincaré and Mr. Baldwin were able to settle upon any definite solution, but they were happy to establish a common agreement of views and to discover that on no question is there any difference of purpose or divergence of principle which could impair the co-operation of the two countries, upon which depends so much the settlement and peace of the world.

This was certainly a different diplomatic technique from that of the two final Curzon and Poincaré notes, yet a comparison of the three documents was sufficient to make the most optimistic observer of events despair. It was the darkest moment in the history of the Reparation Problem, and no one could venture to imagine at the time, or indeed for long afterwards, that this was the dark that comes before dawn. Nevertheless, the period which followed was marked by decreasing gloom and growing hopes of better things, and this happier phase was inaugurated by Mr. Baldwin himself, less than a month after his futile interview with M. Poincaré, in a note addressed on the 12th October, 1923, to the United States Government, in which he asked whether it would collaborate in the appointment of an expert committee to inquire into Germany's capacity to pay.

(v) The Appointment, Investigations, and Reports of the Two Committees of Experts (12th October, 1923–9th April, 1924).

The note dispatched on the 12th October, 1923, by Mr. Baldwin to the British *chargé d'affaires* at Washington for presentation to the Secretary of State was itself the response to a gesture which had been made, as far back as the 29th December, 1922, by Mr. Charles Evans Hughes, and which was repeated in October 1923 by President Coolidge.

The United States Government had always kept itself *au courant* with the Reparation Problem. The American delegation at the Peace Conference of Paris had taken part, not only in the framing of the Versailles Treaty, but in the organization of the Reparation Commission; and since the 10th January, 1920, the date on which that body had entered officially upon its existence, the United States had been continuously represented upon it by an observer—except for a brief interval between the 19th February and the 6th May, 1921, when the American Government temporarily withdrew its observers from the Reparation Commission, the Conference of Ambassadors, and the conferences of Allied statesmen on account of the change of administration which occurred at Washington on the 4th March of that year.[1] It was true that the American observer was not a member of the Reparation Commission, and that 'in ratifying the treaty of peace with Germany, the Senate made a reservation that the United States should not be represented on the Reparation Commission without consent of the Congress'[2]—a consent which had not been given either by the 12th October, 1923, or indeed at any time thereafter before this Survey was written—but this did not rule out the inclusion of American citizens, in their private capacity, in a committee of experts, which might be appointed by the Reparation Commission to examine and report upon the Reparation Problem; and on the 29th December, 1922, when the co-operation of the British and French Governments in the matter of Reparation was on the point of breaking down and the Franco-Belgian occupation of the Ruhr

[1] See *World Peace Foundation*, Vol. VI, No. 5, 1923: 'Reparation, Part V, The Dawes Report', for the texts of (*a*) an invitation addressed to the United States Government on the 5th May, 1921, by Mr. Lloyd George, as President of the Allied Conference of the 29th April–5th May, 1921, to reappoint observers to the three bodies above mentioned, and (*b*) the acceptance of this invitation by the United States Government on the 6th May.

[2] Letter of the 27th December, 1922, from President Harding to Senator Lodge, quoted in *World Peace Foundation, op. cit.*, p. 333.

was imminent, Mr. Hughes gave an address[1] at New Haven to the American Historical Association, in which he suggested a definite line of procedure.

> The economic conditions in Europe give us the greatest concern. . . . We cannot dispose of these problems by calling them European, for they are world problems and we cannot escape the injurious consequences of a failure to settle them. They are, however, European problems in the sense that they cannot be solved without the consent of European Governments. We cannot consent for them. The key to the settlement is in their hands, not in ours. . . . But the situation does call for a settlement upon its merits. The first condition of a satisfactory settlement is that the question should be taken out of politics. . . . There ought to be a way for statesmen to agree upon what Germany can pay, for, no matter what claims may be made against her, that is the limit of satisfaction. . . . Why should they not invite men of the highest authority in finance in their respective countries—men of such prestige, experience and honour that their agreement upon the amount to be paid, and upon a financial plan for working out the payments, would be accepted throughout the world as the most authoritative expression obtainable ? Governments need not bind themselves in advance to accept the recommendations, but they can at least make possible such an inquiry with their approval and free the men who may represent their country in such a commission from any responsibility to Foreign Offices and from any duty to obey political instructions. In other words, they may invite an answer to this difficult and pressing question from men of such standing and in such circumstances of freedom as will insure a reply prompted only by knowledge and conscience. I have no doubt that distinguished Americans would be willing to serve in such a commission.

Although ' both Great Britain and Germany made it clear ' at the time ' that they would warmly welcome the proffered assistance ',[2] Mr. Hughes's pregnant proposal could not bear fruit in time to forestall the struggle in the Ruhr ; but it presumably inspired the suggestion for an international commission of impartial experts which was made in the German note of the 2nd May and was taken up on the 20th July by Lord Curzon.[3] So long as German passive resistance continued this suggestion did not commend itself to the French and Belgian Governments,[4] who still hoped to attain their

[1] For an excerpt from the text, see *op. cit.*, pp. 334–8. The question of Inter-Allied Debts which was also dealt with by Mr. Hughes in this address and which was afterwards taken up in the British note of the 12th October, 1923, and the American note of the 15th October, 1923, will be discussed in the *Survey for 1925*.

[2] Quoted from the British note of the 12th October, 1923. (See below, p. 342.)

[3] See Section (iv) above, pp. 324 and 330.

[4] See the Franco-Belgian identic note of the 6th May, 1923 ; the separate French and Belgian notes of the 30th July ; and M. Poincaré's *exposé* of the 20th August, all of which are summarized in Section (iv) above.

objective by other means; but the surrender of the German Government on the 27th September, 1923, which seemed to mark the triumph of the policy which the French and Belgians had pursued, prepared the way for their disillusionment. As soon as the conflict of wills came to an end, they found themselves face to face with the inexorable facts of the economic situation; and though the profits to be extracted from the agreements which they proceeded to impose upon the Ruhr industrialists might appear brilliant on paper, it rapidly became evident that, when these prospective profits were balanced against the out-of-pocket expenses of the Occupying Powers and the impoverishment and disorganization of the debtor country, the practical solution of the Reparation Problem was no farther advanced at the close of the year 1923 than it had been twelve months earlier. Thus, in the hour of outward victory, the inward self-confidence of the French and Belgian Governments began to be undermined; and when, on the 12th October, 1923, the British Government attacked, from the angle indicated by Mr. Hughes, the problem which had defied every assault for the four previous years, they found (perhaps to their surprise) that their 'forlorn hope' was to result in a 'break through'.

The opening was given by the publication in the Press, on the 11th October, of a statement by President Coolidge that Mr. Hughes's speech of the 29th December, 1922, still held good. On the strength of this the British Government dispatched a note [1] to Washington on the 12th, in which—in their own name and in that of the Imperial Conference then sitting in London—they proposed

> to invite the immediate co-operation of their Allies in Europe in an invitation to the United States Government to assist in the proposed inquiry [as originally formulated by Mr. Hughes], by deputing a delegate, whether official or unofficial, to take part in it.

They further inquired whether 'His Majesty's Government and the majority of the Allies' might 'still hope for American co-operation' if 'complete unanimity had not been forthcoming'; and alternatively, whether 'America would still be willing to participate if it were proposed that such an inquiry should be entrusted to the Reparation Commission or to a body appointed by it'.

To this note, which was received at Washington on the 13th October, Mr. Hughes replied on the 15th in an *aide mémoire*,[2]

[1] Text reprinted in the Appendix from *World Peace Foundation*, *op. cit.*, pp. 338–9.

[2] Text reprinted in the Appendix from *op. cit.*, pp. 339–42.

in which, after deploring the lack of unanimity hitherto prevailing among the interested European Powers, and noting the British Government's observation that this was the sole reason why his proposal had not been proceeded with, he declared that the Government of the United States was

> entirely willing to take part in an economic conference in which all the European Allies chiefly concerned in German Reparations should participate, for the purpose of considering the questions of the capacity of Germany to make Reparation payments and an appropriate financial plan for securing such payments.

He laid down the conditions that regard must be had to Germany's capacity to pay without relieving her of her just obligations ; that any conference should be advisory ; and that the question of Allied debts to the United States should not be brought into connexion with it. In regard to the alternative British proposal, he mentioned that his Government could not appoint a member of the Reparation Commission without the consent of Congress, but at the same time he expressed his confidence that

> competent American citizens would be willing to participate in an economic inquiry . . . through an advisory body appointed by the Reparation Commission to make recommendations in case that course, after further consideration, should be deemed preferable.

In the event of a failure, on the part of the European Governments, to reach unanimity in regard to these proposals, the American Government reserved decision as to its course of action.

Upon receipt of this favourable reply from Washington the British Government at once entered into communication with the other Allied Powers, and on the 26th October, when a reply was received in London from France, it made the texts of the foregoing Anglo-American correspondence public. The French reply, as reported in an official communiqué of the 28th October,[1] was based on an elaborate analysis of the relevant provisions of the Versailles Treaty, upon which the French Government pointedly took its stand. It found that the Reparation Commission had power to appoint expert committees, and that the German Government might receive a hearing from them ; but that the experts could ' in no case infringe upon the powers of the Commission ' and that the Commission itself could make no reduction in the total amount of the German debt.

> Thus France will not accept that a committee of experts should make any changes in the amount of the debt as fixed on the 1st May,

[1] Text in *op. cit.*, pp. 342–3.

> 1921, and will not give its consent to any reduction whatsoever in the amount of the obligations of Germany as determined by the Reparation Commission in May 1921.

In a speech delivered at Sampigny on the 28th October,[1] M. Poincaré, after definitely rejecting the idea of a fresh international conference on Reparation, declared, in consonance with the French note of the 26th that,

> without any departure from precedent, the Reparation Commission might ask the Unofficial Observer (*Délégué officieux*) of the United States to nominate American experts in order to examine, with French, English, Italian, and Belgian experts, the present capacity of Germany to pay (*la capacité de payement actuelle de l'Allemagne*) and to demand from the *Reich* a programme of financial and monetary reconstruction and a precise Reparation scheme—all this within the framework of the Treaty.

In the meantime, Belgium had also replied in favour of appointing experts,[2] while Italy had declared her readiness to fall in with the British proposals.[3]

In the light of these answers the British Cabinet decided on the 30th October to abandon the project of a conference and to concentrate its efforts upon the appointment of experts;[4] and on the 31st October Lord Crewe, the British Ambassador in Paris, presented a note containing the formal proposal that, in the near future, a committee of experts should be convened under the auspices of the Reparation Commission in order to examine Germany's capacity to pay, and that a collective invitation should be sent by the three principal European Allied Powers and Belgium to the United States Government to appoint representatives to serve on this committee.[5]

The text of this note raised a controversy which almost wrecked the negotiations. M. Poincaré at once demanded the substitution for '*capacité*' of '*capacité actuelle*' ('present capacity');[6] and he elaborated this point in a speech delivered on the 1st November at Nevers.[7]

> Certainly let there be an examination of what Germany is in a position to pay at this moment or over a short period. That is precisely the role of the Reparation Commission, enlightened by the experts whom

[1] Text in *Le Temps*, 29th October, 1923.
[2] *Ibid.*, 28th October, 1923.
[3] *Ibid.*, 29th October, 1923.
[4] *Ibid.*, 1st November, 1923. According to *Le Temps*, General Smuts, at a meeting of the Imperial Conference on the 30th October, had argued in favour of a conference as against experts, notwithstanding M. Poincaré's pronouncement.
[5] *Le Temps*, 2nd November, 1923.
[6] *Loc. cit.*
[7] Text in *loc. cit.*

> it may appoint. . . . But the Commission must not be asked either to disavow the decisions which it has taken regarding the total due to us or to prejudice the future for an indefinite time to come.

Thereupon Mr. Hughes declared himself against any limitation of the proposed investigation, and stated that, if limitations were imposed, his Government would consider that a new situation had been created.[1] Undeterred by this, M. Poincaré declared, in another speech delivered at Brives on the 4th November,[2] that France would not be 'despoiled of her pledges' before she had received payment in full, and that 'in the expert inquiry which the Reparation Commission is to set on foot in order to determine Germany's present capacity (*capacité actuelle*), there must be no going back, by a by-path, upon the total amount of the debt as already fixed'. Meanwhile, he had had another conversation with Lord Crewe on the 3rd, and the American Ambassador in Paris had asked for further information regarding the French point of view.[3] On instructions from M. Poincaré, M. Jusserand, the French Ambassador in Washington, accordingly discussed the terms of reference of the experts with Mr. Hughes on the 5th, with President Coolidge on the 6th, and again with Mr. Hughes on the 7th.[4] It was apparent from the outset that M. Poincaré's insistence upon limiting the investigation to 'present capacity' would render agreement impossible; and on the 9th November it was announced officially at Washington that the American Government had regretfully decided not to participate in the proposed experts' committee because unanimity among the European Allies had not been reached and also because, in the President's opinion, an investigation limited to Germany's present capacity to pay would be entirely useless.

Thus the British Government's 'forlorn hope' appeared to have reached an *impasse* of the familiar kind, but this time, after all, it was M. Poincaré who gave way. Possibly he was influenced by the attitude of the Belgian Government, which was as anxious as ever to restore unanimity among its great Allies and which had not concealed its view that the experts' terms of reference ought to be wide.[5] At any rate, the proposal for an expert committee was resuscitated by M. Barthou, the French delegate on the Reparation Commission, at a meeting of that body on the 13th November.

The ground for this had been prepared by a letter which was

[1] *Le Temps*, 4th November, 1923. [2] *Ibid.*, 5th November, 1923.
[3] *Loc. cit.* [4] *Le Temps*, 7th, 8th, and 9th November, 1923.
[5] See an interesting telephonic communication from Brussels, published in *Le Temps*, 5th November, 1923.

received by the Reparation Commission from the German *Kriegslastenkommission* on the 24th October.[1] In this communication the German Government called attention to President Ebert's decree of the 27th September,[2] and announced its intention in principle to resume payments and deliveries under the Versailles Treaty, but declared its *de facto* inability in view of the 'radical changes in the resources and capacity of Germany' which had been produced, since the German Government's statements of the 14th and the 27th November, 1922,[3] by the occupation of the Ruhr and the economic and financial severance of the Rhineland and the Ruhr Basin from the rest of Germany.

> The German Government consequently submit to the Reparation Commission a request to enter upon an examination of the resources and capacity of Germany—in pursuance of Article 234 of the Treaty of Versailles—as well as to let representatives of the German Government have a possibility of stating with full particulars the actual status of the resources and capacity of Germany and to make known the measures taken by her Government with a view to bringing about a reform of the budget and the stabilization of German currency.

The text of a decree, dated the 15th October, concerning the foundation of a German Annuity Bank (*Deutsche Rentenbank*) was attached, and the German Government requested an oral hearing from the Commission on the Belgian studies of May 1923,[4] and on its own observations.

On the 30th October the Reparation Commission had adjourned discussion of this German note 'in view of the negotiations proceeding between the Allied Governments';[5] but on the 13th November M. Barthou not only proposed[6] that the Germans should be given a hearing at the earliest date possible, but also made the following motion:

> Further, in order to assure the application of Article 234 of the Treaty of Versailles, and in accordance with the provisions of Paragraph 7 of Annex II, the French Delegation considers that when the Germans have been heard a Committee of Experts belonging to the Allied and Associated countries should be set up. This Committee would be entrusted with estimating Germany's present capacity to pay, and with furnishing the Reparation Commission with information enabling it to determine the amounts of German payments to be made

[1] Text in Reparation Commission Communiqué of the 24th October.
[2] See Section (ii), p. 287 above.
[3] See *Survey, 1920–3*, p. 185.
[4] See Section (iv), p. 326 above.
[5] Reparation Commission Communiqué of the 30th October, 1923.
[6] Reparation Commission Communiqué of the 13th November, 1923 (French text in *Le Temps*, 15th November.)

during 1924, 1925, and 1926. In the opinion of the French Delegation, the Experts, who will take the Schedule of Payments as the basis of their labours, will endeavour to estimate Germany's resources, internal as well as external, and in particular German assets abroad.

It will be noted that M. Barthou proposed to limit the investigation to Germany's present capacity, interpreted as her capacity during the next three calendar years. Both his resolutions were received with some scepticism by Sir John Bradbury, who held that the Commission ' must investigate without fear or favour the whole of the causes which have led to the present desperate condition of Germany ' ; but, in the end, it was decided unanimously that the Germans should be heard as early as possible and that the question of the appointment of a committee of experts should be considered again after this hearing had taken place. The views of M. Barthou and Sir John Bradbury seemed at the moment to be separated by almost as wide a gulf as those of M. Poincaré and Mr. Hughes. Nevertheless, a German delegation was duly heard on the 23rd November [1]—the spokesman, Herr Fischer, giving an account of the measures already taken or contemplated with a view to the restoration of German finance and currency, but declaring at the same time that ' only the re-establishment of Germany's economic unity could enable her to restore her finances and her capacity '—and, a week later, a formula was found on which both M. Barthou and Sir John Bradbury were able to agree. The Reparation Commission unanimously adopted the following resolution on the 30th November : [2]

In order to consider, in accordance with the provisions of Article 234 of the Treaty of Versailles, the resources and capacity of Germany, and after giving her representatives a just opportunity to be heard, the Reparation Commission decided to create two Committees of Experts belonging to the Allied and Associated countries.

One of these Committees would be entrusted with considering the means of balancing the budget and the measures to be taken to stabilize the currency.

The other would consider the means of estimating the amount of exported capital and of bringing it back into Germany.

On the 5th December M. Barthou, as President of the Reparation Commission, formally expressed to Mr. Logan, the American Unofficial Observer, his hope that the United States Government might ' acquiesce in the acceptance of invitations by American experts to participate in the labours of the committees ', and a

[1] Reparation Commission Communiqué of the 23rd November, 1923.
[2] Reparation Commission Communiqué of the 30th November, 1923.

similar request from the German Government was received at Washington on the 7th.[1] On the 12th December Mr. Logan informed M. Barthou, on his Government's behalf, that while the American Government itself was not in a position to be represented on the committees, it viewed with favour the acceptance by American experts of invitations to participate.[2] Accordingly, on the 21st December, two American citizens, General Charles G. Dawes and Mr. Owen D. Young, were appointed by the Reparation Commission to serve on the First Committee, and another, Mr. Henry M. Robinson, was appointed to the Second Committee when the membership of both committees was completed on the 26th.[3] The Chairmanship of the First Committee was given to General Dawes, one of the two American members, and that of the Second to an Englishman, Mr. Reginald McKenna. The full membership of the First Committee was as follows:

United States—General Charles G. Dawes, President of the Central Trust Company, Chicago;
Owen D. Young, Vice-President of the General Electric Company, New York.
Great Britain—Sir Robert Molesworth Kindersley, G.B.E., President of Lazard Bros., Ltd., Director of the Bank of England, Governor of the Hudson's Bay Company, President of the National Savings Committee.
Sir Josiah Charles Stamp, K.B.E., D.Sc., F.C.I.S., Secretary of the Nobel Industries, Ltd., and formerly Assistant Secretary of the Board of Inland Revenue.
France—Jean Parmentier, formerly Director of the general movement of funds in the Ministry of Finance, Manager of the Crédit Foncier de France;
M. Allix, Professor of the Faculty of Law, Paris.
Italy—Dr. Alberto Pirelli, industrialist;
Prof. Federico Flora, Professor of the Science of Finance in the University of Bologna.
Belgium—Baron Maurice Houtart, Member of the Chamber of Representatives, banker;
Emile Francqui, Minister of State, Vice-Governor of the General Society of Belgium.

The First Committee met in Paris on the 14th January, 1924,[4] and after fifty-four meetings had been held by the full committee, eighty-one by the sub-committee on stabilization under the chairmanship of Mr. Young, and sixty-three by the sub-committee on the

[1] Text of both notes in *World Peace Foundation, op. cit.*, pp. 344–5.
[2] Text of note in *op. cit.*, p. 345.
[3] Reparation Commission Communiqué of the 26th December, 1923.
[4] Texts of inaugural addresses by M. Barthou and General Dawes in *World Peace Foundation, op. cit.*, pp. 348–53.

budget under the chairmanship of Sir Josiah Stamp, General Dawes presented his Report on the 9th April.[1] In the meantime, the Committee had ' conducted, on the ground [i.e. by a visit to Berlin], an examination of the officials of the German Government and representatives of its labour, agriculture and industry ', and had ' received from the German Government voluminous and satisfactory answers in response to its written inquiries '.[2]

The Second Committee, which likewise reported on the 9th April, 1924, had met on the 21st January.

From an early stage it was evident that the work of the Second Committee, which (in deference to French public opinion) had been appointed to ' consider the means of estimating the amount of exported capital and of bringing it back into Germany ', was of secondary importance. In the nature of the case the facts which it was asked to establish could not be ascertained with exactitude, while the action which it was asked to suggest was conditioned by the findings and recommendations of the First Committee, which had to consider ' the means of balancing the budget and the measures to be taken to stabilize the currency '.

> In our opinion [the Second Committee reported] the only way to prevent the exodus of capital from Germany and to encourage its return is to eradicate the cause of the outward movement. Inflation must be stopped. . . . The method of securing a currency in Germany capable of maintaining a sufficiently stable international value covers the whole question of budgetary equilibrium and the establishment of a bank of issue on a sound basis. These matters, which fall outside the scope of our inquiry, have been referred by the Reparation Commission to another Committee whose conclusions we have the advantage of knowing. If effect is given to their recommendations, we think that a considerable part of the German assets now in foreign countries will return in the ordinary course of trade.

In thus deliberately directing public attention away from its own terms of reference and towards those of the First Committee, the Second Committee not only displayed a laudable capacity for self-effacement but performed a valuable public service. From that time onwards little more was heard of the suggestion that the Germans had very large sums abroad which might be made available for Reparation ; and this negative result assisted in securing con-

[1] Texts of speeches by M. Barthou and General Dawes on this occasion in *L'Europe Nouvelle*, 12th April, 1924. General Dawes's speech is also printed in the Report itself.

[2] e. g. *Material for a Study of Germany's Economy, Currency, and Finance, by Order of the German Government.* (Berlin, January 1924.)

sideration for the Report of the First Committee, which, of the two documents presented to the Reparation Commission on the 9th April, 1924,[1] was not only the longer but by far the more important.[2] It was, in fact, the basis of the settlement which was eventually embodied in the diplomatic instruments signed on the following 30th August;[3] and thus in the end an international body of economists and financiers found at least a provisional solution for a problem which had baffled the statesmanship of Europe for four years. It will not be forgotten, however, by any one who has studied the history of the Reparation Problem during those earlier phases, that General Dawes and his colleagues were not the first experts who were called into consultation. The road already traversed was strewn with previous reports of experts which had been either left to moulder unread or else had been mutilated or distorted out of all recognition and utility. A graceful tribute was paid to these unlucky predecessors by General Dawes in his covering letter of the 9th April; and indeed the General and his colleagues were singularly favoured by Fortune in being the first experts whose labours were not lost. The fundamental cause of their success was not that either they themselves, or the statesmen who happened to be in power in the various countries concerned during the year 1924, were conspicuously abler or wiser than their predecessors, but that, with the passage of time, public opinion, or rather public feeling, in the various Allied countries (particularly in France) had become less irrational. During the first five years after the Armistice the ultimate obstacle to a settlement of the Reparation Problem had always been the state of feeling among the masses, who had compelled the politicians and diplomatists to flout expert advice which they themselves (with the notable exception of M. Poincaré) would often have been ready to accept if their constituents had only allowed them.

The Dawes Report consisted of three parts: I, The Committee's Conclusions and Scheme; II, The Currency Position; III, a collection of nine annexes.[4] The following summary of

[1] English texts of both Reports in British Blue Book, *Cmd.* 2105 of 1924, and in *World Peace Foundation, op. cit.*; French text of the First Committee's Report in *L'Europe Nouvelle*, 26th April, 1924.

[2] This document became popularly known as the Dawes Report, but General Dawes himself would have been the first to testify to the contributions of Sir Josiah Stamp and his other colleagues.

[3] See Section (vi), below.

[4] (1) A plan for the organization of a bank of issue; (2) a suggested index of prosperity; (3) a general report on the German railways; (4) a scheme for the concession of the working of the German railways to a company; (5) a plan for industrial debentures; (6) a note on the transfer of Reparation

Part I [1] was published with the English official text of the Report itself :

SUMMARY OF PART I

I. *The Attitude of the Committee.*

(*a*) The standpoint adopted has been that of business and not politics.
(*b*) Political factors have been considered only in so far as they affect the practicability of the plan.
(*c*) The recovery of debt, not the imposition of penalties, has been sought.
(*d*) The payment of that debt by Germany is her necessary contribution to repairing the damage of the War.
(*e*) It is in the interest of all parties to carry out this plan in that good faith which is the fundamental of all business. Our plan is based upon this principle.
(*f*) The reconstruction of Germany is not an end in itself ; it is only part of the larger problem of the reconstruction of Europe.
(*g*) Guarantees proposed are economic, not political.

II. *German Economic Unity.*

For success in stabilizing currency and balancing budgets, Germany needs the resources of German territory as defined by the Treaty of Versailles, and free economic activity therein.

III. *Military Aspects. Contingent Sanctions and Guarantees.*

(*a*) Political guarantees and penalties are outside our jurisdiction.
(*b*) The military aspect of this problem is beyond our terms of reference.
(*c*) Within the unified territory, the plan requires that, when it is in effective operation :
1. If any military organization exists, it must not impede the free exercise of economic activities ;
2. There shall be no foreign economic control or interference other than that proposed by the plan.
(*d*) But adequate and productive guarantees are provided.

IV. *The Committee's Task.*

(*a*) Stabilization of currency and the balancing of budgets are interdependent, though they are provisionally separable for examination.
(*b*) Currency stability can only be maintained if the budget is normally balanced ; the budget can only be balanced if a stable and reliable currency exists.
(*c*) Both are needed to enable Germany to meet her internal requirements and Treaty payments.

payments ; (7) a note on the currencies circulating in Germany ; (8) a provisional survey of the budget of the *Reich* ; (9) an exposition of the comparative position of different incomes drawn from dividends in the year 1920–1, 1923–4, and 1924–5.

[1] Although it was expressly stated that the summary was only furnished for the convenience of the reader, and that the full official text was the sole authoritative statement of the plan, it is evident that a summary accepted, if not written, by the Committee itself is of more value than any independent analysis by an amateur.

V. *Economic Future of Germany.*

(*a*) Productivity is expected from increasing population, technical skill, material resources and eminence in industrial science.
(*b*) Plant capacity has been increased and improved since the War.

VI. *Currency and a Bank of Issue.*

(*a*) All classes will benefit from stabilized currency, especially Labour.
(*b*) Under present conditions, *Rentenmark* stability is only temporary.
(*c*) A new Bank is set up or the *Reichsbank* reorganized.
(*d*) The main characteristics of the Bank will be :
(1) To issue notes on a basis stable in relation to gold, with an exclusive privilege ;
(2) To serve as a Bankers' Bank, establishing the official rate of discount ;
(3) To act as the Government Banker, but free of Government Control ;
(4) Advances to Government to be strictly limited ;
(5) To hold on deposit Reparation payments ;
(6) The capital of the Bank will be 400 million gold marks ;
(7) It will be directed by a German President and Managing Board, who can be assisted by a German consultative Committee ;
(8) The due observance of its statutes will be further safeguarded by a General Board, of which half the members, including a Commissioner, will be foreign.

VII. *Budget and Temporary Reparation Relief.*

Balancing the German budget requires :
(*a*) Full economic and fiscal sovereignty, subject to the supervision provided for in this report ;
(*b*) A stable currency ;
(*c*) Temporary relief from charges on the budget for Treaty obligations ;
(*d*) Such relief not to suspend essential deliveries in kind.

VIII. *The Basic Principles of Germany's Annual Burden.*

(*a*) Treaty obligations and continuity of balanced budgets.
(1) Balancing the budget does not entail merely provision for internal administrative expenditure ;
(2) Germany must also provide within the utmost limit of her capacity for her external Treaty obligations ;
(3) The budget can be balanced without necessarily dealing with the total capital debt of Germany ;
(4) It cannot be continuously balanced, unless the annual charge is fixed for a considerable period, on a basis clearly prescribed in advance.
(*b*) Commensurate Taxation :
(1) Government internal debt has been practically extinguished by the depreciation of the currency ;
(2) New debt charge ought to be met, commensurate with the burden of the French, English, Italian, and Belgian taxpayer ;

(3) The Treaty recognizes the principle ;
(4) It is morally sound ;
(5) It is economically just in its influence on costs of production ;
(6) This principle has been applied to the full limit of practicability.

(*c*) Allies' share in Germany's prosperity.
(1) Germany's creditors must share in the improvement in Germany's prosperity ;
(2) This will be secured by an index of prosperity.

(*d*) There is an important difference between the German's capacity to pay taxes and Germany's capacity to transfer wealth abroad.

IX. *Normal Resources from which Payments are Made.*

Germany will pay Treaty charges from three sources :
A. Taxes ; B. Railways ; C. Industrial Debentures.

A. From her ordinary budget :
(1) 1924–5 Budget may be balanced if it is free from Peace Treaty charges.
(2) 1925–6 Budget receiving 500 million gold marks from special sources may pay that sum for Reparation.
(3) 1926–7, 110 million gold marks.[1]
(4) 1927–8, 500 million gold marks.
(5) 1928–9, 1,250 million gold marks. This is considered a normal year and a standard payment ; thereafter additional payments will be made, depending on prosperity.

B. From Railways :
(1) Railway bonds :
(*a*) Eleven milliards of first mortgage railway bonds against a capital cost of twenty-six milliards will be created for Reparations ;
(*b*) These bonds bear 5 per cent. interest and 1 per cent. sinking fund per annum ;
(*c*) in view of reorganization, interest is accepted as follows :
1924–5 : three hundred and thirty million gold marks ;
1925–6 : four hundred and sixty-five million gold marks ;
1926–7 : five hundred and fifty million gold marks ;
1927–8 and thereafter : six hundred and sixty million gold marks.

Behind the Bonds, there will be created :
two milliards of preference shares to be reserved for sale to the public ; and
thirteen milliards of common stock.
Three-quarters of the proceeds of the preference shares will be applied, as required, to the payment of debt and for capital expenditure of the railways. The remaining 500 [millions][2] of preference shares and all the common shares go to the German Government.

(2) Transport Tax :
After 1925–6, 290 million gold marks per annum for Reparation, and balance to German Government.

[1] Subject to addition or reduction in certain contingencies.
[2] The word in brackets is a correction of an error in the published text of the White Paper *Cmd.* 2105 of 1924.

C. Industrial debentures.

(1) Five milliards of industrial debentures are provided for Reparation.

(2) The resulting charge on industry is less than that existing before the War and now wiped out by depreciation.

(3) These bonds bear 5 per cent. interest and 1 per cent. sinking fund, i. e. 300 million gold marks per annum.

(4) Pending economic restoration, interest and sinking fund are accepted as follows:

First year—nothing;
Second year—one hundred and twenty-five million gold marks;
Third year—two hundred and fifty million gold marks;
Thereafter—three hundred million gold marks.

X. *Summary of Provision for Treaty Payments.*

(*a*) (1) Budget Moratorium Period.

First year—from foreign loans and part interest on railway bonds:
Total of 1,000 million gold marks.

Second year—from part interest on railway bonds and on industrial debentures, budget contributions, through sale of 500 million gold mark railway shares:
Total of 1,220 million gold marks.

(2) Transition Period.

Third year—from interest on railway bonds and on industrial debentures, from transport tax and from budget:
Total of 1,200 million gold marks (subject to contingent addition or reduction [within the limit][1] of 250 million gold marks).

Fourth year—from interest on railway bonds and on industrial debentures, from transport tax and from budget:
Total of 1,750 million gold marks (subject to contingent addition or reduction [within the limit][1] of 250 million gold marks).

(3) Standard Year.

Fifth year—from interest on railway bonds and on industrial debentures, from transport tax and from budget.
Total of 2,500 million gold marks.

Thereafter: 2,500 millions plus a supplement computed on the index of prosperity.

Interest on the securities, but not the proceeds of their sale, is included in these figures.

(*b*) The first year will begin to run from the date when the plan shall have been accepted and put into effective execution.

XI. *Inclusive Amounts and Deliveries in Kind.*

(*a*) The above sums cover all amounts for which Germany may be liable to the Allied and Associated Powers.

(*b*) Deliveries in kind are to be continued, but are paid for out of balances in the Bank.

[1] The words in brackets are corrections of errors in the published text of the White Paper *Cmd.* 2105 of 1924.

XII. *How the Annual Payments are made by Germany.*

(*a*) The amounts will be raised in gold marks and paid into the Bank.
(*b*) These payments cover Germany's annual obligation.

XIII. *How the Payments are Received by the Creditors.*

(*a*) Germany's creditors will use these moneys in Germany or convert them into foreign currencies.
(*b*) Experience will show the rate and extent to which the conversion can safely take place.
(*c*) Danger to stability through excessive remittances is obviated by a Transfer Committee.
(*d*) Sums not remitted accumulate, but with a limitation of amount.

XIV. *Guarantees, in Addition to Railway and Industrial Bonds.*

(*a*) The following revenues are pledged as collateral budget contributions and other payments :
  (i) Alcohol
  (ii) Tobacco
  (iii) Beer
  (iv) Sugar
  (v) Customs.
(*b*) The yield of these revenues is estimated to be substantially in excess of required payments.
(*c*) The excess is returned to the German Government.

XV. *External Loan—its Conditions and Purpose.*

Foreign loan of 800 million gold marks meets a double purpose :
(*a*) Requirements of gold reserve of the new Bank.
(*b*) Internal payments for essential Treaty purposes in 1924–5.

XVI. *Organization.*

The Organization consists of :
(*a*) A Trustee for railway and industrial bonds ;
(*b*) Three Commissioners of : (1) Railways, (2) the Bank, (3) Controlled Revenues ;
(*c*) An Agent for Reparation Payments, who will co-ordinate the activities of the above and will preside over the Transfer Committee.

XVII. *The Nature of the Plan.*

(*a*) The plan is an indivisible unit.
(*b*) The aim of the plan is :
  (1) To set up machinery to provide the largest annual payments from Germany ;
  (2) To enable maximum transfers to be made to Germany's creditors ;
  (3) To take the question of ' what Germany can pay ' out of the field of speculation and put it in the field of practical demonstration ;
  (4) To facilitate a final and comprehensive agreement upon all the problems of Reparations and connected questions, as soon as circumstances make this possible.

The Report was equally remarkable for the discrimination with which it made use of previous experience and previous proposals, and for the originality of its new contributions towards a solution of the Reparation Problem. The influence of the schemes worked out by the League of Nations for the reconstruction of Austria and Hungary is apparent throughout.[1] In adopting at the outset the standpoint of business and not of politics (Part I, Section I), the Committee were faithful to their terms of reference, which embodied the ideas of Mr. Hughes. In insisting upon the economic unity of the German *Reich*, and upon the freedom of economic activity therein (Section II), they concurred with the opinion expressed by the German Government in the note of the 2nd May, 1923,[2] in Dr. Stresemann's speech of the 14th August,[3] and in Herr Fischer's statement before the Reparation Commission on the 23rd November [4]—though they were, if possible, still more emphatic than the Germans themselves. 'We have been unable', they reported, 'to find any practical means of ensuring permanent stability in budget and currency under these [i.e. the present] conditions, and we think it unlikely that such means exist.' In touching upon the military aspect (Section III), they carefully refrained from contesting M. Poincaré's claim to his pound of flesh—on condition, however, that not one drop more of Germany's economic life-blood should be shed in the process of extracting it—while at the same time they promised the French Prime Minister, in his own phraseology, 'adequate and productive guarantees'. Their Bank of Issue (Section II) was an improved version of the German *Rentenbank*, which was being organized while the Committee were sitting. As far as organization was concerned, the essence of their scheme was that the new Bank should be controlled as far as possible by private and independent German financial experts. On the one hand, it was 'to be entirely free from Governmental control or interference', while at the same time the necessary supervision on behalf of the foreign interests concerned was confined to the minimum. In their related requirement of full economic and fiscal sovereignty for the *Reich* (VII (*a*)), they were in agreement with the German Government. In laying down a temporary Reparation moratorium (VII (*c*)) they were following innumerable precedents,

[1] For the reconstruction of Austria see *Survey, 1920–3*, pp. 311–28; for that of Hungary (which was being studied by another body of experts at the time when the Dawes Committee was sitting) see the present volume, II. B. (iv), pp. 423–37, below.

[2] See Section (iv), p. 324, above.

[3] See Section (ii), p. 286, above.

[4] See the present Section, p. 347, above.

the last of which was given by the Belgian Studies of May 1923.[1] In discussing the bearing of Treaty obligations upon the continuity of balanced Budgets (VIII (*a*)) they skilfully avoided fixing a new total for Germany's liability so explicitly as to draw down upon themselves the thunder of M. Poincaré, although they followed all the bankers who had pronounced on the subject before them in declaring that ' financial stabilization depends essentially upon the return of confidence ' and that ' such confidence cannot be attained unless a settlement is now made which both Germany and the outside world believe will give an assurance that for a considerable period neither its finances nor its foreign relations will be endangered by renewed disputes '. In applying the principle of commensurate taxation as between the German people and the Allied peoples (VIII (*b*)), they were following a clue given by the Versailles Treaty.[2] In dividing Germany's annuity into a fixed and a variable payment, the latter to be based upon an index of prosperity (VIII (*c*)), they were adopting a proposal which had first been brought forward as early as the Boulogne Conference of the 21st–22nd June, 1920—though in 1924 it was possible, in the light of statistical experience gained in the meantime, to suggest a composite index which was likely to be more accurate than one based solely on the value of exports. Their proposal to turn the German State Railways into a private company carrying Reparation Bonds (IX B) had been anticipated in the Belgian Studies of May 1923 and in the German note of the 7th June, and the German Government was already taking steps to translate the idea into practice.[3] Their proposal to charge private German industrial concerns with Reparation debentures had likewise been anticipated in the same two sets of proposals.[4] Again, in proposing that certain German State revenues should be pledged as security (Section XIV), they were following the German note of the 7th June—though this time in opposition

[1] See Section (iv), p. 326, above.

[2] The Treaty (Clause 12 (*b*) of Annex II to the Reparations Chapter) was more than usually vague in its reference to commensurate taxation. The Reparation Commission had no power to interfere with German taxation or to insist that any particular system of taxation should be adopted. On the other hand, when it exercised its duty of estimating Germany's capacity to pay it was entitled to say that the limit of her capacity was not reached unless she was taxing herself as highly as the most highly taxed Allied nation. When, however, the Commission tried, as it valiantly did, to apply this principle it became lost in inextricable mazes.

[3] See *Material for Study of Germany's Economy, Currency, and Finance*, January 1924, p. 105.

[4] See Section XVII for the grounds on which this proposal was justified by the Committee.

to the Belgian Studies, which had proposed that certain revenues of this class should be treated like the railways. The Committee added that 'in the last resort the best security is the interest of the German Government and people to accept in good faith a burden which the world is satisfied to be within their capacity, and to liquidate as speedily as possible a burden which is and should be onerous'. Finally, in insisting that, without prejudice to questions of priority, the proposed annuities must be inclusive of all charges payable by Germany to the Allied and Associated Powers, whether in money or in kind (Section XI), they were making a point of the utmost practical importance, which had been made in vain by the Allied Experts at the Brussels Conference of the 16th–22nd December, 1920.[1] On this principle, they laid it down that 'the amount required for the service of this first and any subsequent loans must be deducted from the sums which in subsequent years can . . . be placed at the disposal of Germany's creditors'; and they were not afraid to draw attention to the consequence that 'in effect the loan is only an anticipation of the sums subsequently available which . . . represent in our opinion the maximum burden and therefore one not capable of increase.'

The above analysis shows how thoroughly the Committee mastered and utilized the experience at their disposal, but their fame will probably rest upon two new features which they introduced into the handling of the problem. The first was the simplicity of the organization which they proposed to set up (Section XVI)—a simplicity which promised to reduce overhead charges while actually increasing the efficiency of control. The second new feature, which was of course much more important, was the clear distinction which they drew 'between the German's capacity to pay taxes and Germany's capacity to transfer wealth abroad' (Section VIII (*d*)) and the proposal, based on this distinction, that while the responsibility for raising the Reparation annuities in German marks at home was naturally to lie with the German Government, the responsibility for converting these German mark payments into foreign currencies was to be imposed upon a Transfer Committee representing Germany's foreign creditors and bound to act on certain principles (Sections XII and XIII and Annex No. 6).

The Reports of the two Expert Committees were received (as has been mentioned) by the Reparation Commission on the 9th April, 1924. On the 16th April the German Government

[1] See *Survey, 1920–3*, pp. 125–6.

informed the Reparation Commission [1] that it ' regarded the reports as a practical basis for the rapid solution of the Reparation Problem ', and that it was ready to collaborate in the Experts' projects. On the 17th the Reparation Commission, in plenary session, under the presidency of M. Barthou, decided unanimously to take note of the German Government's reply ; to approve the conclusions and adopt the methods presented in the Reports ' within the limits of its [the Commission's] attributions ' ; to transmit and recommend the Reports to the interested Governments ; and to ask the German Government : (*a*) to submit as soon as possible draft laws and decrees calculated to assure the complete execution of the Experts' Plans, and (*b*) to notify the Commission of the names of the persons who were to represent the German Government or German industry in the Organization Committees for the Railways and for the Industrial Mortgage Bonds. The Commission decided, on its own part, to appoint those members of the different Organization Committees which it was called upon to appoint, and to prepare the measures which were left, in the First Committee's Report, to be worked out in detail by the Commission.[2]

On the 25th April the Reparation Commission received replies, favourable in principle to its recommendation of the Reports, from Great Britain, France, and Belgium ; on the 26th April from Italy ; and on the 28th from Jugoslavia and Japan.[3] In the following section an account is given of the diplomatic negotiations which were renewed, and this time with success, on the fresh basis thus established.

(vi) The Negotiations between the Powers from the acceptance in principle of the Experts' Reports to the signature of the London Agreements on the 30th August, 1924.

While the two Committees of Experts had been making their investigations and preparing their Reports, the Reparation Question itself had been developing in some respects for the worse and in others for the better. On the debit side were the activities of the so-called ' Separatists ' in the Occupied Territory [4] and the difficulties

[1] Text of note in *L'Europe Nouvelle*, 26th April, 1924.

[2] Text of this decision in *loc. cit.*

[3] Texts in *Le Temps*, 27th April, 1924 (French, Belgian, British, and Italian replies, French versions) ; *The Times*, 28th April, 1924 (French, Belgian, British, and Italian replies, English versions) ; the *Corriere della Sera*, 27th April, 1924 (Italian reply, Italian version) ; *Le Temps*, 1st May, 1924 (Japanese and Jugoslav replies, French versions). The language of M. Poincaré's note was noticeably more guarded than that of the others.

[4] See Section (iii) above

which had arisen between the M.I.C.U.M. and the Ruhr industrialists over the renewal of the agreement of the 23rd November, 1923.[1] On the credit side were the initiatives taken, in anticipation of the Experts' Reports, by the heads of the British and Belgian Governments.

On the 26th January, 1924, Mr. MacDonald addressed a personal letter to M. Poincaré in which he expressed both regret at the number of unsettled points outstanding between Great Britain and France and at the same time confidence that these conflicts could be settled 'by the strenuous action of goodwill' in a spirit of frankness without hostility. On the 28th M. Poincaré sent a gracious reply; and although this preliminary correspondence did not raise the concrete points at issue, it was of good augury as a first overture.[2] Of equally good augury was a personal visit which M. Poincaré received on the 27th from M. Jaspar, the Belgian Foreign Minister,[3] since Belgium, while maintaining her solidarity with France in regard to the occupation of the Ruhr, still adhered to her aim of bringing her two great allies together.

On the 21st February Mr. MacDonald acted up to the principles which he had enunciated by writing to M. Poincaré a second letter,[4] equally frank but this time quite concrete, on the subject of Reparation. He began with a review of the state of British public opinion in regard to France.

> It is widely felt in England that, contrary to the provisions of the Treaty of Versailles, France is endeavouring to create a situation which gains for it what it failed to get during the Allied peace negotiations. . . . The people in this country regard with anxiety what appears to them to be the determination of France to ruin Germany and to dominate the Continent without consideration of our reasonable interests and future consequences to European settlement.

After referring to the apprehension caused in Great Britain by 'the large military and aerial establishments maintained, not only in Eastern, but also in Western France'; to the financing by the French Government of the military organization of the East European Successor States;[5] and to the contrast between the funded debt of Great Britain to the United States and the unfunded debt of France to Great Britain, Mr. MacDonald then broached the

[1] See Section (ii) above.
[2] Texts of both letters in *The Times*, 4th February, 1924.
[3] *Ibid.*, 28th and 29th January, 1924.
[4] English texts of this letter and of M. Poincaré's reply in *The Times*, 3rd March, 1924; French texts in *L'Europe Nouvelle*, 14th June, 1924.
[5] See II. B (vi) below

question of Security [1] and finally came to grips with the Reparation Problem. He described the 'invisible devastation' of Great Britain—the widespread suffering produced by economic dislocation —(using in this one passage much the same language as had been used on the 11th August, 1923, by Lord Curzon),[2] and drew the following conclusion :

> Our devastated areas may be more difficult to visualize and to define ; their reconstruction will be less tangible and more protracted ; but they exist for us as cruelly as they exist for France, and so long as no remedy is found, the present sufferings and anxieties of this Empire will continue. Before we can discuss this problem, however, we must clearly await the reports of the two Expert Committees, and I do so with hope that they will draw your country and mine together. I see no reason why this problem, if approached from its widest aspect, if considered in conjunction with the cognate problem of inter-Allied debts, should not on an early day be solved in such a manner as to give to England the hope of economic stability in Europe, and to France the assurance that her just requirements will be met.

This deliberate departure from traditional diplomatic style in addressing the chief living European exponent of the old diplomacy was a bold stroke on Mr. MacDonald's part which met with deserved success. So far from taking offence, M. Poincaré gave courteous, if somewhat elusive, assurances regarding the British apprehensions to which Mr. MacDonald had drawn his attention.

> No reasonable Frenchman has ever dreamt of annexing a particle of German territory or of turning a single German into a French citizen. . . . Our Army and our Air Force are no more a sign of defiance to England than the aerial and maritime fleet of Great Britain are, in your view, a threat to France. . . .
>
> It will doubtless not be long before the Experts present their report. The Reparation Commission and the Allied Governments will in accordance with their respective competence examine the opinions given by the Experts. We shall then be able, I hope, to arrive rapidly at a comprehensive settlement and to ensure that Germany carries it out. I thank you for telling me that you look upon the question of inter-Allied debts as connected with that of Reparations. It is infinitely to be desired that they should be settled at the same time.

Thus, before the Experts presented their Reports on the 9th April, the spirit, at least, of Anglo-French relations had been perceptibly improved. Mr. MacDonald's next step, after the Reparation Commission had recommended the Reports to the Governments, was to intimate to the Belgian Minister in London his desire to make the personal acquaintance of the Belgian Prime Minister and

[1] See Part I. A above.

[2] See Section (iv), p. 335, above.

Foreign Minister, MM. Theunis and Hymans ; [1] and on the 24th April (the date on which the Belgian, British, and Italian Governments accepted the Reparation Commission's recommendation in principle) it was announced that the two Belgian statesmen had decided to visit Paris and London. After spending the 28th April with M. Poincaré, they passed the night of the 2nd May with Mr. MacDonald at Chequers.[2] On the latter occasion the discussions were reported to have centred round the two questions of the transition from the existing régime in the Occupied and Invaded Territories to the régime contemplated in the Dawes Report, and of sanctions in the event of the Germans failing to execute the undertakings which would be required of them under the Experts' Plan.[3] The result of these conversations was not immediately made public,[4] but it was admitted to be satisfactory. 'We have discussed', declared M. Theunis, 'the broad lines of the Reparation Problem in the light of the Experts' Plan, and the indispensable goodwill is evident. We are returning with a favourable impression.' [5] A report of what had passed, which was communicated to Paris by M. Herbette, the French Minister at Brussels, after the return of MM. Theunis and Hymans to the Belgian capital, was declared to have made an excellent impression at the Quai d'Orsay, and the impression was strengthened on the 7th, when the British Ambassador in Paris, under instructions from London, communicated to M. Poincaré a brief account of the Chequers conversations and added that the Belgian statesmen would give M. Poincaré full details themselves.[6]

On the 9th May (that is, two days before the date of the French General Election) it was announced [7] that M. Poincaré had accepted an invitation from Mr. MacDonald to pay him an informal visit at Chequers on the 20th.[8] The polling on the 11th, however, resulted

[1] *The Times*, 25th April, 1924. [2] *Ibid.*, 3rd May, 1924.
[3] See *The Manchester Guardian*, *Le Temps*, and *The Times*, 5th May, 1924.
[4] See, however, M. Poincaré's references to what took place on this occasion in his letter of the 14th May, summarized below, p. 363.
[5] *The Times*, *loc. cit.* [6] *Ibid.*, 9th May, 1924.
[7] *Ibid.*, 10th May, 1924.
[8] Mr. MacDonald was criticized in some quarters in Great Britain for having sent this invitation in anticipation of the French elections, on the ground that this was equivalent to prejudging the result of the elections, and that it was incorrect for the head of a foreign government to do so, even indirectly. It was also alleged that the invitation was resented by M. Poincaré's French political opponents. That this resentment, if it existed, was at least not serious, was proved by the immediate cordiality of the relations which were established, after the change of Government in France on the 1st June, between Mr. MacDonald and M. Herriot. As for the point of

in the defeat of the *Bloc National* ; and as this entailed M. Poincaré's resignation, the two Prime Ministers again wrote to one another simultaneously on the 14th in order to cancel the engagement.[1] While Mr. MacDonald inquired tentatively whether, pending the assumption of office by the new French Government, the general exploration of the Reparation Problem by the French and British Governments might continue, so that no time should be lost, M. Poincaré, on the eve of relinquishing power, made a number of observations which carried the problem one step nearer settlement.

After expressing his appreciation of ' the straightforwardness and friendly courtesy ' which Mr. MacDonald had ' not ceased to show to the French Government ' since his advent to power, he declared that the accounts which he had received of the Anglo-Belgian conversations at Chequers had enabled him to expect the best results from the cancelled meeting between Mr. MacDonald and himself, and that he had had every ground for hoping that they would arrive without difficulty at a final agreement. ' I do not doubt ', he added, ' that such an agreement will be brought about at an early date in conditions satisfactory for our two countries.' He proceeded to make it clear that certain understandings which had been arrived at in the Chequers conversations had secured his approval. He agreed with Mr. MacDonald that the economic hold of France and Belgium over the German Occupied Territories ' ought to cease on the very day on which the Experts' Plan enters into force '—though with the reservation that ' that would not be until the German Government . . . had carried out the suggestions of the Experts in their entirety and obeyed their directions '. In regard to the Ruhr, he stated that he knew very well that no British Government had approved the

punctilio, it might have had some substance if Mr. MacDonald had been of the same political persuasion as M. Poincaré, or if for some other reason he had desired his victory at the polls. Since, however, neither Mr. MacDonald nor indeed any other British Prime Minister of any party could be suspected of harbouring any such desire, while on the contrary it was notorious that M. Poincaré's policy was deplored by all sections of British opinion, Mr. MacDonald's invitation at this juncture must surely be regarded as an adroit piece of diplomacy. If M. Poincaré returned to power, it would tend to make relations with him easier ; while, if he were defeated, his victorious opponents could hardly fail to realize that the invitation had been extended to him, not as the leader of a French party with whose policy the British Government was in conflict, but as the representative of France herself—a representative whom the British Prime Minister was the more zealous to honour in that capacity because he happened to disagree with him as a party leader. Had Mr. MacDonald displayed, even by a negative gesture, a desire for M. Poincaré's defeat, he would have made a very false move.

[1] English texts of the MacDonald-Poincaré correspondence, 14th–25th May, in *The Times*, 29th May ; French texts in *L'Europe Nouvelle*, 14th June, 1924.

occupation; that he was very much touched by the delicacy with which Mr. MacDonald had spoken on this point to MM. Theunis and Hymans; and that to him (M. Poincaré), too, it appeared quite useless to hark back to the past. For the time being, France and Belgium thought it prudent 'to preserve guarantees and to remain in a position to resume pledges'; but, inasmuch as Mr. MacDonald had been 'good enough to tell MM. Theunis and Hymans that, in the event of a breach of the undertakings contracted by her, Germany would find herself confronted by England, Belgium, and France inflexibly united, as they were during the War', M. Poincaré announced the following concession:

> It goes without saying that France will always prefer measures taken in common with her Allies to measures taken by herself alone. We should, therefore, only contemplate resuming the exploitation of our existing pledges in the event, which I am anxious to believe improbable, of our not having agreed together upon the necessary guarantees when the moment arrived.

After indicating that on the still unsettled question of the Franco-Belgian Railway *Régie* France would be prepared to meet the British point of view, and after raising the question of the non-fulfilment by Germany of the Disarmament Chapter of the Versailles Treaty, M. Poincaré concluded on the cordial note with which he had begun.

> Although the course of events forbids me to examine with you these different questions, I must thank you warmly for the cordial manner in which you offered to discuss them with me, and I shall not fail to report to the Government which succeeds me the deep impression of confidence that your conversation with MM. Theunis and Hymans had already made on our Belgian colleagues.

These two letters crossed; but next day, in reply to the inquiry contained in Mr. MacDonald's letter, M. Poincaré informed the British Prime Minister that it would be possible for his Government to continue the joint study of the Reparation Problem pending the forthcoming change of ministry on the 1st June, and the correspondence closed with two further letters of courtesy on the 23rd and the 25th.

Meanwhile, MM. Theunis and Hymans conferred with Signor Mussolini at Milan on the 18th and 19th May,[1] and in an official communiqué issued on the latter date it was announced that the Belgian and Italian statesmen 'were of the opinion that when the exchange of views among the Allied Governments is sufficiently

[1] *The Times*, 19th and 20th May, 1924.

advanced it will be desirable to call an inter-Allied conference with a view to putting into execution the agreement thus prepared '. In the same statement the opinion was recorded ' that the question of Inter-Allied Debts remains connected with the integral and definite solution of the Reparation Problem '. This was done, no doubt, at the instance of Signor Mussolini, who had referred to the subject in his reply to the Reparation Commission on the 24th April, but already at this stage it seems implicitly to have been accepted on all hands that the last-mentioned question would have to be treated separately, since it was a matter in which Germany was not concerned, and since its introduction would certainly disincline the United States from collaborating with the Allied Powers in an effort to put the Dawes Plan into operation.

On the 1st June M. Herriot duly succeeded M. Poincaré as French Prime Minister ; and on Saturday the 22nd he crossed to England and spent that afternoon and the greater part of the next day with Mr. MacDonald at Chequers. The two Prime Ministers immediately established cordial personal relations, and their discussions, which occupied in all about eight hours, resulted in important decisions.[1] Besides arranging to visit Geneva together at the opening of the Fifth Session of the League Assembly in the coming September,[2] the two Prime Ministers agreed that, ' subject to the convenience of the other Allies, a conference should be held in London not later than the middle of July for the purpose of definitely settling the procedure to be adopted ' in order to put the Dawes Plan into operation. Mr. MacDonald renewed to M. Herriot the assurance which he had given on the 2nd May to MM. Theunis and Hymans, and which had been mentioned by M. Poincaré in his letter of the 14th May, that ' if, later on, Germany were to attempt to evade the obligations laid down by the Experts, . . . Great Britain . . . would solemnly undertake to stand by her Allies '.[3] It was decided that an invitation to the London Conference should be sent to the United States, and that, in order to facilitate American participation, the agenda should be confined to the Reparation Problem and should not include the

[1] See *The Times*, 23rd June ; *Le Temps*, 24th June ; and statements made on the 26th June in their respective Parliaments by MM. MacDonald and Herriot (reported in *The Times*, 27th June, 1924.).

[2] See I. A (v) above.

[3] Statement by M. Herriot in the French Senate on the 26th June. This pledge seems to have been misinterpreted by *L'Indépendance Belge* of Brussels as a military guarantee given to France and Belgium in case of a fresh invasion of those countries by Germany. This interpretation was explicitly denied by Mr. MacDonald in the House of Commons on the 26th June.

questions of Inter-Allied Debts and French Security. In regard to the Ruhr, 'the British Government did, indeed, express the desire to see a return to an invisible occupation after the economic evacuation; but there was no question at any moment of impairing the French and Belgian Governments' freedom of decision.'[1] The determination of the French Government (in which M. Herriot was at one with M. Poincaré) to retain, for the time being, the military means of resuming the economic exploitation of the Ruhr in the event of a fresh German default, raised—and left unsettled—the question whether France and Belgium, for the security of their armies, should maintain some measure of control (in the form of a skeleton staff of French and Belgian civilian railway employees) over the working of the trunk railways in the Ruhr and the Rhineland. This, however, was the only substantial point of disagreement between the heads of the French and British Governments, and on the 22nd June they added to the official communiqué which had been drafted by Sir Eyre Crowe and M. de Peretti de la Rocca the following words:

> The conversations revealed . . . on the part of the two Prime Ministers a common determination to meet the difficulties which beset their countries, and, indeed, the whole world, by continuous co-operation.[2]

M. Herriot went straight from England to Belgium,[3] and had 'two long conversations' at Brussels with MM. Theunis and Hymans on the 24th. 'After being informed not only of the general character but of the details of our interview [at Chequers],' M. Herriot told the French Senate two days later, the Belgian statesmen 'declared themselves in full agreement with us. . . . The exchange of pledges after Germany has fulfilled all the conditions prescribed by the Report of the Experts, the guarantees for its execution, the railway administration and the extension of the M.I.C.U.M. Agreements[4] received the especial attention of the Ministers'.[5] It appears to have been agreed once again between the French and Belgian Governments that the 'invisible' military occupation of the Ruhr should only come to an end when the Reparation Commission had declared that Germany had made effective arrangements for the carrying

[1] M. Herriot, *loc. cit.*

[2] The French version of this passage ran as follows: 'En présence des difficultés qui assiègent nos deux pays et le monde entier, nous sommes tombés d'accord pour conclure entre nous un pacte moral de collaboration continue.' (*Le Temps*, 24th June, 1924.)

[3] *The Times*, 24th and 25th June, 1924.

[4] See Section (ii) above.

[5] Official communiqué issued at Brussels on the 24th June, 1924.

out of the Experts' Plan and that guarantees and definite receipts had been substituted for the existing pledges.[1]

Meanwhile, the London Foreign Office, on behalf of the British and French Governments and in pursuance of the understanding which had just been reached by MM. MacDonald and Herriot at Chequers, sent invitations [2] to attend a conference in London on the 16th July to the Italian Government (by telegram to the British Ambassador in Rome) on the 23rd June, to the Belgian and Japanese Ambassadors in London, for transmission to their respective Governments, on the 25th, and also to the United States Government. On the 7th July the Jugoslav, Rumanian, Greek, and Portuguese Governments were also invited to authorize their diplomatic representatives in London to attend the conference—Jugoslavia because she was represented by a delegate on the Reparation Commission and the other three states because a fixed percentage of German Reparation payments had either been allotted to them by the Spa Protocol of the 16th July, 1920,[3] or had been offered to them since its signature.[4] On the same date the Czechoslovak, Polish, Brazilian, Siamese, Liberian, and Cuban Governments, as parties 'interested in the settlement of the Reparation Question', were assured that they would be kept fully informed of the proceedings of the conference in order to enable them to place before it any views or suggestions which they might desire to put forward.

In the telegraphic invitation of the 23rd June to the Italian Government the scope of the proposed conference was defined as follows:

> Mr. MacDonald and M. Herriot agreed that it was necessary to convoke at an early date a small Allied conference solely for the purpose

[1] *The Times*, 25th June, 1924.

[2] For texts of all the communications from the British Government to other Governments (except the United States Government), between the dates 23rd June and 7th July, 1924, inclusive, which are mentioned below, see the British White Paper, *Cmd.* 2184 of 1924.

[3] See *Survey, 1920–3*, pp. 120–3. On the 23rd June, 1924, Mr. MacDonald stated in the House of Commons, in answer to a question from Mr. Pringle, that the question of the proportions in which the Allies would share payments from Germany (which had been settled by the Spa Protocol) would 'certainly not' be reopened.

[4] The difference between the position of Jugoslavia and that of the other three states in question was only technical. Jugoslavia's rights on the Reparation Commission were not really very much higher than those of Rumania, Greece, and Portugal. Jugoslavia's delegate practically never sat under the Treaty of Versailles and therefore the Jugoslav representative was almost always in the same position as the representatives of the other minor Allied states under § 3 of Annex II. In substance the four states, Jugoslavia, Greece, Rumania, and Portugal, were asked to attend because they had a share in Reparations.

of concerting arrangements requisite to put into force the suggestions contained in the report of General Dawes which all the Governments directly concerned have already approved in their entirety. Since Allied conference would be restricted to this one subject only, the questions of security and of inter-Allied debts will not be discussed at conference but must be dealt with at a later date. Therefore the conference's chief object will be to agree upon terms of an instrument which will formally bind the parties to do the several things prescribed in report of General Dawes and will be signed both by the Allies and Germany. This instrument might take the form of a protocol in order to avoid any appearance of a desire on the part of the Allies to amend Treaty of Versailles. . . . As soon as inter-Allied conference shall have arrived at a definite agreement, suggestion is made that German Government should be invited to attend simply to meet Allies in conference for negotiations and discussions and not in order to be confronted with a document definitely settled which they might be required to accept or reject.

The following suggestions in regard to the protocol were made to M. de Peretti de la Rocca by Sir E. Crowe on the 24th June :

There appear to us to be five points to be covered :

1. A general declaration that the [Dawes] Report is adopted in its entirety.

2. An undertaking on the part of the German Government to take all measures, legislative, administrative and other, required under the Report by a given date to be fixed in the protocol itself, power being given to the Reparation Commission to postpone that date if it should be found at the time that the German measures are not ready.

3. As a counterpart, a pledge on the part of the Allies that all the economic and financial sanctions which impede the economic and administrative liberties of Germany both inside and outside the territories occupied under the Treaty of Versailles shall be withdrawn, also by a given date, this date to follow at an interval of, say, a fortnight, the date fixed in No. 2.

4. An undertaking that these sanctions will not be reimposed except in the circumstances contemplated in the Report, some authority other than the Reparation Commission being invested with the power to declare whether these circumstances have at a given moment arisen. In this connexion resort might be had in some form to the League of Nations or its financial committee.

5. Disputes arising between the parties to the protocol as to its interpretation or application to be referred to the International Court.

The points embodied in these suggestions had been agreed upon by MM. MacDonald and Herriot at Chequers on the 21st-22nd June, and had been originally sketched out at the same place by Mr. MacDonald and MM. Theunis and Hymans on the 2nd May.[1] In the

[1] See *Cmd.* 2184, p. 3.

communications to the Italian, Belgian, and Japanese Governments the grounds for the fourth British suggestion in regard to the protocol were explained :

> The engagements which Germany is to undertake under the scheme proposed in General Dawes' Report go far beyond those imposed by Treaty of Versailles, and it seems, therefore, to His Britannic Majesty's Government that duty of deciding whether a flagrant failure has occurred cannot properly be entrusted to Reparation Commission, since functions of that commission are strictly determined by Treaty of Versailles.

The acceptance of these invitations was a foregone conclusion except in the case of the Government of the United States, who had been asked 'to send a representative in whatever capacity they might consider most appropriate';[1] and on the 26th June M. Herriot was able to announce in the French Senate that the United States had officially consented to take part.[2]

On the 8th–9th July Mr. MacDonald paid M. Herriot a return visit in Paris, and here, on the 9th, there was drawn up a Franco-British Memorandum concerning the application of the Dawes Scheme[3] which was afterwards taken by the conference, when it duly assembled on the 16th, as the basis of its proceedings. After arguing at length that the economic and financial implications of the Dawes Plan, which the forthcoming conference was intended to put into execution, were not incompatible with respect for the provisions of the Versailles Treaty,[4] the two Governments recalled that certain of the measures which had to be taken were solely within the competence of the creditor Governments, and submitted that it was necessary for those Governments to conclude an arrangement for taking such measures. Accordingly, they recommended to their

[1] *Ibid.*, p. 4.

[2] *The Times*, 27th June, 1924. On the same occasion M. Herriot pledged himself that the decisions taken at the London Conference would not be final until they had been ratified by the French Parliament.

[3] The text is printed separately in the British White Paper *Cmd.* 2191 of 1924, and is also to be found in *Cmd.* 2270, which contains the proceedings of the conference.

[4] French public opinion attached the greatest importance to preserving the sacrosanctity of the Versailles Treaty, and, after his return from Chequers, M. Herriot was heavily attacked by the opposition on the ground that he had been outwitted by Mr. MacDonald in much the same way as M. Briand was supposed to have been outwitted by Mr. Lloyd George at Cannes. Technically, no doubt, the Treaty and the Dawes Plan could be harmonized; but in substance, of course, the whole of Part VIII of the Treaty and a certain number of articles in other parts were rewritten by the Plan.

Allies the acceptance of the following points, on which they had agreed as between themselves :

(*a*) A conference shall meet in London on the 16th July ; the two Governments note with satisfaction that the United States of America have decided to be represented.

(*b*) The Governments concerned will first of all confirm the acceptance, so far as they are concerned, of the conclusions of the Dawes Report—an acceptance which they have already announced individually to the Reparation Commission.

(*c*) The arrangements to be concluded must not diminish the authority of the Reparation Commission. But in view of the fact that some security must be given to the lenders who provide the 800 million gold marks and to the holders of the economic bonds, the two Governments will unite in an effort to secure the presence of an American on the Reparation Commission in the event of the latter having to consider a default on the part of Germany. If this solution proved impossible and in the event of the members of the Reparation Commission being divided in opinion as to the significance of the facts of the case, the two Governments would recommend that the Reparation Commission should call in the Agent-General of Reparation Payments, who is to be of American nationality.

(*d*) The Dawes Report contains provisions to meet minor defaults by means of the various supervisory organizations ; but an important wilful default would at once raise the question of Germany's good faith. In the event of the Reparation Commission declaring such a default, the Governments concerned will undertake to confer at once on how to put into operation such measures as they shall agree to take in order to protect themselves and the investors.

(*e*) The plan by which German economic and fiscal unity shall be restored as soon as the Reparation Commission shall have decided that the Dawes Report is in operation, shall be settled at the Inter-Allied Conference. The Reparation Commission will be asked to prepare and present to the Inter-Allied Conference suggestions for such a plan.

(*f*) Should experience show the necessity for modifications in the Experts' Plan, such modifications should only be introduced subject to all necessary guarantees and by common agreement between the interested Governments, except in so far as the Reparation Commission already has the necessary powers.

(*g*) In order to take full advantage of the Reparation payments provided for in the Experts' Report and to secure that they may benefit the nations interested, the Allies shall appoint a special body to advise the Governments interested what organization should be set up in each country for putting to proper use the payments made by Germany (in particular by way of transfers and deliveries in kind).

(*h*) It will also be necessary to settle the question who shall be the authority to be entrusted, if the necessity arises, with the interpretation of the Dawes Report, as well as of the arrangements to be concluded in London for putting the Report into operation.

On the 15th July the Reparation Commission

unanimously recorded its opinion that the putting into execution by Germany of the Experts' Plan implies :

1. The voting by the *Reichstag* in the form approved by the Reparation Commission of the laws necessary to the working of the Plan and their promulgation ;

2. The installation, with a view to their normal working, of all the executive and controlling bodies provided in the Plan ;

3. The definitive constitution, in conformity with the provisions of the respective laws, of the bank and the German Railway Company ;

4. The deposit with the trustees of certificates representing the railway bonds and such similar certificates for the industrial debentures as might result from the report of the Organizing Committee ;

5. The conclusion of contracts assuring the subscription of the loan of 800,000,000 (eight hundred million) gold marks as soon as the Plan had been brought into operation and all the conditions contained in the Experts' Report had been fulfilled.[1]

Thus, when the Inter-Allied Conference held its first plenary meeting in London on the 16th July,[2] it found at its disposal the necessary bases for the constructive work which it was setting out to do.

At this meeting, after the British Prime Minister had opened the proceedings and had been elected President of the conference, the text of the Anglo-French Memorandum of the 9th July was taken up and it was decided to appoint three committees : the first to deal with paragraphs (*c*) and (*d*), the second with paragraph (*e*) and the third with paragraph (*g*). During the discussion M. Theunis pointed out that paragraphs (*c*) and (*d*) contained certain differences of opinion from the political point of view 'if one went right to the bottom of things',[3] and the success of the Allied Governments during the ensuing discussions in reaching agreement on these crucial questions of German default, which had divided them so long and so profoundly, was certainly one of the principal achievements of the conference.

At the second plenary meeting, held on the 23rd July, the conference appointed a Committee of Jurists (Sir Cecil Hurst and M. Fromageot) with the following terms of reference :

1. Does the putting into operation of the Dawes Plan give rise to questions—and, if so, which—requiring to be settled by agreement with Germany ?

2. What procedure should be adopted in order to arrive at such agreement without in any way running counter to the Treaty of Versailles ? [4]

[1] Text in *Cmd.* 2270 (No. 10, p. 110).

[2] The *procès-verbal* of the eight plenary meetings (six inter-Allied and two international) is published in *Cmd.* 2270, as well as the texts of all the important relevant documents, most of them in both the French and the English versions. For a convenient *dossier* of the texts in French, see *L'Europe Nouvelle*, 23rd August, 1924.

[3] *Cmd.* 2270, pp. 15–16.

[4] *Ibid.*, No. 14, p. 118.

At this meeting the conference also received reports from the First and Third Committees,[1] and extended the terms of reference of the Third Committee to the following matters :

(*a*) The question of obtaining an assurance from the German Government that it will not hamper and will use its best efforts to facilitate the execution of deliveries in kind on a commercial basis under the Experts' Plan.

(*b*) The question of inviting the Reparation Commission to set up a committee (constituted in a similar manner to the Organization Committees set up under the Experts' Plan) with a view to negotiating an arrangement with the German Government for the simplification of the procedure for ordering deliveries in kind under the Experts' Plan.

(*c*) The question of submitting to arbitration questions of difference which might arise between the German Government and the Transfer Committee under Clause VI of Annex VI of the Experts' Report.

The committee was instructed to frame its proposals on the above questions so as not to interfere in any way with the powers of the Transfer Committee, nor to influence in any way the bringing into operation of the Experts' Plan.[2]

At the third plenary meeting, held on the 28th July, the conference received an important report from the Committee of Jurists [3] to the effect that putting the Dawes Plan into operation without in any way running counter to the Versailles Treaty would entail the conclusion of three agreements : one between the Reparation Commission and the German Government, a second between the Allied Governments and the German Government, and a third between the Allies themselves. The conference agreed to this report, and made arrangements for inviting German representatives to London as soon as the necessary preliminary understanding among the Allies had been reached, and also for summoning the Reparation Commission. At the same meeting they set up an enlarged Committee of Jurists (including representatives of Belgium, Italy, Japan, and the United States as well as France and Great Britain) to deal with paragraphs (*f*) and (*h*) of the Anglo-French Memorandum ; and they received and discussed very closely the report of the Second Committee. The debate (which arose out of a point raised by Mr. Snowden) turned upon the question whether the committee, in the last article (7) of its report, was not in effect adding a sixth condition to the five which had been laid down by the Reparation Commission, in its opinion of the 15th July,[4] as constitut-

[1] *Cmd.* 2270, Nos. 12 and 11.
[2] *Ibid.*, No. 15, pp. 118–20.
[3] Text *ibid.*, No. 17, pp. 132–6.
[4] See p. 370, above.

ing the conditions which must be fulfilled by Germany in order that the Dawes Report should come into operation.[1] The Second Committee had recorded its unanimous opinion that ' no durable settlement based on the Dawes Report ' was ' possible in the absence of a prior agreement between the interested Allied Governments and the German Government ', first, to ensure deliveries in kind, and, secondly, to effect a reciprocal pacification by certain measures which were specified. Eventually the point was met by the omission of the word ' prior ' and the report, as amended, was approved.[2]

By the 2nd August, when the conference held its fourth plenary meeting, it found its business sufficiently far advanced to justify it in setting up a general drafting committee. At the same sitting the conference considered and approved the revised reports of the First[3] and Third Committees. The report of the Third Committee (which covered much new ground owing to the extended terms of reference which the committee had received) [4] gave rise to a debate on the question whether the German Government was to be made responsible for making good defaults on deliveries in kind under the Dawes Plan, if, in cases arising, it had not been proved by the Allied Governments concerned that the default was due to deliberate bad faith or ill will. At length the conference agreed to a formula requiring evidence of ' measures of hostile discrimination or of hostile obstruction on the part of the German Government or of German suppliers ' ; [5] and when this point had been settled and the conference had authorized the dispatch of a communication to the Reparation Commission,[6] requesting it to prepare the draft of an agreement between the Commission and the German Government

[1] The point was very clearly put, in the course of the debate, by Sir E. Crowe. See *Cmd.* 2270, p. 43.

[2] For this amendment, compare *Cmd.* 2270, p. 138, with p. 130. For another amendment subsequently introduced into this same Article 7 under the second head, at the instance of the Jurists' Committee, see *Cmd.* 2270, No. 27, p. 162. The second head, but not the first, finally appeared in Article 7 of the agreement between the Allied Powers and Germany constituting Annex III of the Final Protocol of the 16th August, after further amendments and additions had been suggested by an international committee of French, Belgian, and German jurists. (See *Cmd.* 2270, No. 36.)

[3] The First Committee had been in touch, since the outset, with leading American and British bankers. (See *Cmd.* 2270, p. 24.)

[4] Texts of this report, as presented in two sections, in *Cmd.* 2270, Nos. 20 and 22. Texts of both the Third and the First Committee's reports, as finally approved after discussion, *ibid.*, Nos. 24 and 23.

[5] *Ibid.*, p. 59. This formula appeared in Clause 2 (d) (v) of the Agreement between the Allied Powers and Germany constituting Annex II of the Final Protocol of the 16th August.

[6] Text of Sir M. Hankey's letter, dated the 2nd August, in *Cmd.* 2270, No. 25, p. 158.

in regard to matters within the Commission's competence, M. Herriot noted [1] that the only outstanding points were paragraph (*h*) of the Anglo-French Memorandum and the question of the continued employment of a contingent of French and Belgian railwaymen on the lines in the Occupied and Invaded Territories—a point on which the Second Committee had failed to agree and which had therefore been referred back to the Prime Ministers. At the close of this meeting the representatives of the Principal Allied and Associated Governments used the power which the plenary conference had conferred on them on the 28th July and issued an invitation to Germany.[2]

The German delegates—Herr Marx, Dr. Stresemann, Dr. Luther, and Herr von Schubert—were received on the 5th August at the fifth plenary meeting, which was thus international and not merely inter-Allied; and Mr. MacDonald welcomed them in the following auspicious words:

> We are all anxious that the responsibilities which this report imposes upon us should be accepted not because they must be, but because there is a common desire to make a serious and an honest attempt to fulfil obligations to which signatures are attached, and to attach signatures after discussions in which every party has been fairly heard. Such agreements carry moral obligations as well as legal ones.

Dr. Marx replied in the same spirit:

> We see here the way which will and must lead our people to freedom and peace and at the same time afford a possibility of their working together with the other peoples in the joint reconstruction of Europe. The restoration of mutual confidence is the first essential for the fruitful co-operation of the nations. If the Conference succeeds, as we confidently hope it will, in preparing the ground for the attainment of this great end, then the whole German people, as soon as the vital conditions for its free economic activity have been restored, will devote its whole strength to carrying out the heavy obligations which the Experts' Plan requires from it.

Mr. MacDonald then handed to the German delegation six documents,[3] 'as being the official reports of the whole business done at the Conference up to now', and suggested that they should hand in as soon as possible their observations on those points with which

[1] Text of Sir M. Hankey's letter, dated the 2nd August, in *Cmd.* 2270, No. 25, p. 65.

[2] Text *ibid.*, No. 26, p. 162.

[3] i. e. the Anglo-French Memorandum of the 9th July; the reports of the three Inter-Allied Committees as approved by the Plenary Inter-Allied Conference; and the reports of the two Inter-Allied Jurists' Committees (i. e. *Cmd.* 2270, No. 17, referred to above, and No. 21, which was a report of the enlarged Committee of Jurists on paragraph (f) of the Anglo-French Memorandum of the 9th July).

Germany was concerned and which did not lie between the Allies alone.

On the same day Mr. MacDonald delivered a speech in the House of Commons in which he gave the following definition of what was meant by a German default :

> The default which is a serious one, and which comes before the Reparation Commission, is a large, general default, a flagrant default, a default which cannot be judged to be a mechanical default, a default about which it can be alleged and about which evidence can be presented : ' This could not have taken place unless there was a conspiracy in high places to throw off obligations undertaken in August 1924 by the German Government to put this Report into operation.'

This definition was afterwards accepted by the conference and thus became, in effect, a binding interpretation of the agreements in which the conference resulted.

On the 30th July the Reparation Commission arrived in London and ' semi-officially decided to attempt the conclusion with the German Government of an agreement on the questions within its jurisdiction ' (an agreement of which the Commission had already prepared a draft in response to the request addressed to it by the Inter-Allied Conference on the 2nd August) ' without waiting until a general agreement was arrived at between the Governments represented at the London Conference '.[1] On the 8th the German delegation accepted this procedure. On the morning of the 9th Sir John Bradbury (Great Britain) and M. Delacroix (Belgium), acting for the Reparation Commission, succeeded in agreeing a revised draft with Dr. Ruppel, acting for the German delegation. On the same afternoon the Reparation Commission formally adopted this revised draft, and on the same evening it was signed by the Commission and by the German delegation.

It must be mentioned at this point that, ever since the acceptance of the Dawes Plan in principle by the several parties concerned, three Mixed Organization Committees—one for Railways, one for Industrial Debentures, and another for the proposed Bank of Issue—had been preparing drafts of the laws, dealing with these matters, which had to be voted by the *Reichstag* in the form approved by the Reparation Commission in order to put the Dawes Plan into effect.[2] Simultaneously Mr. Owen D. Young, the second American

[1] Statement by M. Barthou, at a meeting of the Reparation Commission held in London on the 9th August, 1924 (text of minutes in *Cmd.* 2270, No. 44, p. 311).

[2] See Reparation Commission decision of the 15th July, quoted above, p. 371.

member of the Dawes Committee, had been preparing a draft protocol concerning the contributions to be made from the German Budget and the institution of control over the revenues from customs and taxes on spirits, tobacco, beer, and sugar. At the meeting of the London Conference on the 5th August, Dr. Marx had announced that the German Government, in expectation of agreement being reached by the conference, gave its consent to the draft laws thus prepared and that they would submit them to the German legislative bodies, for enactment, with all haste after the conclusion of the conference.[1] The three draft laws, together with Mr. Young's draft protocol, were likewise approved unanimously by the Reparation Commission on the afternoon of the 9th August, and the protocol was incorporated, as an annex, in the agreement which the Commission signed with the German delegation that evening.

In this agreement[2] the German Government undertook to promulgate and enforce the three laws and to apply the annexed protocol, while the Reparation Commission and the German Government agreed

> to carry into effect in so far as the same might lie within their respective spheres of action such additional arrangements as might thereafter be made between the German Government and the Allied Governments at the conference then being held in London, including any provisions which might be so agreed for carrying into effect the Experts' Plan or for the introduction of modifications of detail in the working of the said Plan.

The said additional arrangements, when concluded, were to be added to the present agreement of the 9th August in the form of a second annex.[3] If no agreement were reached at the London Conference the present agreement was to be void.

The agreement of the 9th August was reported to the London Conference at its sixth plenary meeting (inter-Allied) on the 12th. On the 9th August, likewise, Mr. MacDonald informed the Reparation

[1] *Cmd.* 2270, p. 69.

[2] Text *ibid.*, No. 33. The second annex provided for was duly supplied in the shape of the agreement between the Allied Governments and the German Government concerning the agreement of the 9th August between the German Government and the Reparation Commission which was appended as Annex II (the agreement of the 9th August itself being Annex I) to the London Conference Final Protocol of the 16th August.

[3] The purpose of this curiously complicated and circuitous piece of drafting was to save (in appearance) the sacrosanctity of the Versailles Treaty by as far as possible presenting whatever new arrangements regarding the contents of Part VIII of the Treaty had to be made in consequence of the acceptance of the Dawes Plan, in the light of an agreement made between the Reparation Commission and the German Government in pursuance of the Treaty, and not in that of a new agreement between the signatories of the Treaty, which would logically modify or supersede the Treaty.

Commission, in the name of the Governments represented on the Inter-Allied Conference, that they had agreed that the annuities to be paid by Germany were to cover, as well as Reparation payments, all other payments mentioned in the Dawes Plan which were not comprised in Part VIII (Reparation) of the Versailles Treaty, and formally gave the Commission authority to deal with all the Treaty payments which were not within Part VIII and therefore not within the scope of its existing powers.[1]

Meanwhile, as early as the 6th August, the German delegation had presented its observations in detail on the reports of the three Inter-Allied Committees ;[2] and, at a conference held at 11.30 a.m. on the same day between the heads of the Allied and German delegations, it was decided to entrust to a meeting of Allied and German experts the examination of the German delegation's memorandum, in so far as that memorandum dealt with the reports of the Second and Third Committees of the Inter-Allied Conference. The object with which the experts were to examine the memorandum was to advise which of the points raised therein ought to be reserved for discussion by the heads of delegations themselves, and which might with advantage be first examined by experts.

> A meeting of experts [held that afternoon under the chairmanship of Sir E. Crowe] unanimously arrived at the conclusion that the following points ought to be reserved for consideration by the heads of delegations, viz. :
>
> (A.) *Second Committee's Report.*
>
> (i) The question of the retention on the Rhineland railways of French and Belgian civil *personnel*, which was referred to in the covering letter of the chairman.
>
> (ii) The question whether, as laid down in article I (A) (5), the conclusion of the contracts for the loan of 800 million gold marks can properly be insisted upon as one of the conditions which must be fulfilled before Germany can be considered to have put the Dawes Report into execution.
>
> (iii) The question of an amnesty, referred to in article VII (2).
>
> (B.) *Third Committee's Report.*
>
> The question, raised in Resolution III, of arbitration in regard to differences which may arise between the Transfer Committee and the German Government.
>
> It was agreed that the remaining points raised in the German memorandum readily lent themselves to discussion by experts.[3]

[1] Text of Mr. MacDonald's letter in *Cmd.* 2270, No. 34, p. 250.

[2] Text of these observations, *ibid.*, No. 32, p. 198.

[3] Quoted from a report presented on the 10th August by Sir. E. Crowe as Chairman of the International Sub-Committee appointed to consider the Second Inter-Allied Committee's Report. (*Cmd.* 2270, No. 38.)

Accordingly two International Sub-Committees were constituted to consider the German observations arising out of the reports of the Second and Third Inter-Allied Committees respectively.

These sub-committees, which were both placed under the chairmanship of Sir E. Crowe, started work on the 7th and reported on the 10th. The reports of their proceedings are perhaps the most interesting documents in the records of the conference, because they reveal the full measure of that change for the better which had been coming over the diplomatic relations between Germany and the Allies—steadily, though at first imperceptibly—since the appearance of the Dawes Plan upon the international horizon. In these sub-committees, matters which were not only full of intricate detail but which involved vital interests of both parties and touched their national feelings at sensitive points, were discussed on a footing of equality and in a conciliatory spirit of mutual accommodation. The long and depressing annals of the Reparation Problem, back to the Peace Conference of Paris, may be searched in vain for any parallels (a melancholy reflection, since it is not difficult to discern a number of occasions on which even a moderate display of this spirit might have solved the Reparation Problem before it had produced its most mischievous effects). It would be hardly an exaggeration to say that these were the first conversations between representatives of Germany and the Allies which had taken place in a normal atmosphere since the outbreak of the War of 1914. Though many of the modifications agreed upon in these International Sub-Committees referred to points of detail, others were of first-rate importance. For example, the Second Inter-Allied Committee's time-table for restoring the economic and fiscal unity of Germany was shortened by ten days (from the 15th to the 5th October, 1924), and a definite date (the 20th November) was fixed for the completion of the transfer of the railways in the Occupied Territory from the Franco-Belgian *Régie* to the new company.[1] As a result of their discussions, both International Sub-Committees were able to present to the Plenary Conference amended texts of the reports of the Second and Third Inter-Allied Committees, and these texts became the bases, respectively, of the two agreements between the Allied Governments

[1] These dates, which were inserted for convenience of reference, were based on the assumption that the conference agreements would be signed in time for the first announcement required from the Reparation Commission to be made on the 15th August, so that the time-table would start from that date. It was understood that any delay in signature would entail corresponding postponement of the time-table. (See *Cmd.* 2270, p. 266.)

and the German Government—namely, the agreement to carry out the Dawes Plan [1] and the agreement [2] concerning the agreement of the 9th August, 1924, between the German Government and the Reparation Commission.

At the sixth plenary meeting (inter-Allied) of the conference, which was held on the 12th August, the Allied representatives formally accepted the modifications of the Second and Third Committee's reports which had been agreed in the two International Sub-Committees ; certain interpretations, arising out of observations made by the German delegation, of the report of the First Committee (with which, technically, the Germans were not concerned) ; the Legal Committee's report (presented on the 4th August) [3] on paragraph (*h*) of the Anglo-French Memorandum of the 9th July—a report which then became the basis of Clause 1 of the agreement [4] concerning the agreement of the 9th August ; and an amendment to Article 7 (amnesty clause) of the report of the Second Committee, which had been submitted by the Inter-Allied Jurists' Committee on the 2nd August.[5] The conference also took note of the agreement of the 9th August between the Reparation Commission and the German delegation. A debate on a point of procedure was raised by the consideration of three resolutions which had been handed in by the French delegation on the 2nd August [6] and of a letter, referring to them, which had been addressed to the conference by the United States representative (Mr. Kellogg, the American Ambassador in London) on the 5th.[7] The French resolutions were as follows :

> The Allied Governments decide that a conference of Finance Ministers shall be held in Paris immediately after the close of the London Conference—
>
> 1. To settle the question of the allocation of the payments received from Germany since the 1st January, 1923, including the net proceeds realized by France, Belgium, and Italy since the 11th January, 1923, and also the question of the allocation of German payments as from the date when the Agent-General for Reparation Payments takes up his duties, and during the first years of the operation of the Dawes Plan.
>
> 2. To proceed to the adjustments contemplated in article 1 of the Finance Ministers' Agreement of the 11th March, 1922, for the years 1922 and 1923.[8] The result of its labours on this point will be communicated by the Finance Ministers' Conference to the Reparation Commission for the drawing up of the corresponding accounts.
>
> The Allied Governments delegate to the Reparation Commission

[1] Final Protocol, Annex III.
[2] Final Protocol, Annex II.
[3] Text in *Cmd.* 2270, No. 30.
[4] Final Protocol, Annex II.
[5] Text of their letter in *Cmd.* 2270, No. 27.
[6] Text *ibid.*, No. 28.
[7] Text *ibid.*, No. 31.
[8] See *Survey, 1920–3*, pp. 166–8.

full powers to settle with Germany all questions relative to the control of assigned revenues (Section IV of Part III of the Experts' Plan).

The Allied Governments delegate to the Reparation Commission the settlement of all questions concerning organization (Chapter XVI of Part I of the Experts' Plan).

The American representative submitted that, since the payments contemplated in the Dawes Plan were to comprise all amounts for which Germany might be liable to the Allied *and Associated* Powers for the costs arising out of the War, the United States Government ought to be represented at the proposed conference of Finance Ministers regarding allocation. After a discussion of these documents in the plenary Inter-Allied Conference on the 12th August, it was agreed that the French delegation should amend its first resolution so as to provide for American representation, and that the resolution, so amended, should be referred (without being accepted) by the conference to the Finance Ministers of the Allied and Associated Powers. At the London Conference itself no further action on this matter was taken.

Meanwhile, the heads of delegations had been providing for the settlement of those issues raised by the German delegation's memorandum of the 6th August which had been reserved for their consideration by the decision of the meeting of experts which had been held, under the chairmanship of Sir E. Crowe, on the same date.[1]

At the seventh plenary meeting (inter-Allied) of the conference, which was held at 6.0 p.m. on the 16th August, three out of these four reserved issues were disposed of. The conference approved the report[2] of an international committee of Belgian, French, and German jurists to which, on the 7th August, the heads of delegations had referred the question of an amnesty (originally dealt with in Article 7 of the Second Inter-Allied Committee's report); and the document thus approved became the basis of Article 7 of the agreement between the Allies and Germany to carry out the Dawes Plan.[3] The question of the reinstatement of expelled German officials was dealt with at the same time in an exchange of notes between the Belgian, French, and German Governments.[4]

At the same meeting the conference approved the report[5] of a Special (International) Committee which had been appointed to consider the German observations on Resolution 3 of the Third

[1] See p. 277, above.
[2] Text in *Cmd.* 2270, No. 36.
[3] Final Protocol, Annex III.
[4] Statement by Mr. MacDonald (*Cmd.* 2270, p. 85).
[5] Text *ibid.*, No. 42.

Committee's report (arbitration of differences between the Transfer Committee, to be set up under the Dawes Plan, and the German Government). The text of the revised resolution agreed by the Special Committee and appended to their report became the basis of Clause 4 of the agreement [1] concerning the agreement of the 9th August.

At the same meeting the conference passed the following important resolution [2] regarding the issue of the proposed German Loan :

> It is agreed that the putting into execution of the Dawes Scheme and the arrangements for that purpose embodied in the present agreement depend on the issue of a loan of 800,000,000 gold marks for the purposes of the Plan, and are conditional on the said issue.
>
> The Allied Governments, desiring that this loan should be successfully raised, and contemplating that the loan will be a first lien on the security pledged thereto, will invite the central banks in their respective countries to use their good offices to facilitate the placing of the loan.

On the same occasion the conference also delegated [3] to the Reparation Commission the settlement of the rules for the Co-ordinating Committee contemplated in Chapter 16 of Part I of the Dawes Plan, and settled two points reserved from the report of the Third Committee regarding deliveries in kind.[4]

At the eighth and last plenary meeting (international) of the conference the business was almost entirely of a formal character. A number of documents which had already been dealt with in practice had to be taken up into the records of the conference, and, above all, the Final Act and Protocol had to be initialed. The juridical form in which the agreements arising out of the conference were to be drawn had been laid down in the Fromageot-Hurst Report [5] of the 25th July, which had been adopted by the conference on the 28th July.[6] At first sight, this form may be confusing to the reader ; but a study of the French and British jurists' observations will convince him that any less complicated procedure would have been inadequate to the intricacies of the actual situation. There were three parties in a three-cornered relation with one another, namely, the Allied and Associated Powers, Germany, and the Reparation Commission ; and there were two documents, namely, the Versailles

[1] Final Protocol, Annex II.
[2] *Cmd.* 2270, No. 46.
[3] *Ibid.*, No. 47.
[4] Revised text of conclusion of paragraph (d) of Resolution No. I appended to the Report of the Third Committee in *Cmd.* 2270, No. 48. This revised text became the basis of the conclusion of Clause 2 of the agreement concerning the agreement of the 9th August (Final Protocol, Annex II).
[5] Text in *Cmd.* 2270, No. 17.
[6] See above, p. 372.

Treaty and the Dawes Plan, which had *ex hypothesi* to be kept in operation and brought into operation respectively without being allowed to fall foul of one another. This necessitated not less than four agreements: one between the Reparation Commission and Germany for putting into operation those provisions, relative to the payment of Reparation, in the Dawes Plan which were Germany's concern; a second between the Allies and Germany for the interpretation of the first agreement, and for the settlement by arbitration of disputes which might arise out of it and also for putting into operation those provisions, relative to the payment of Reparation, in the Dawes Plan in which action by or on behalf of the Allies, as well as action by Germany, was required; a third between the Allies and Germany for the restoration of the fiscal and economic unity of Germany (that is, for executing the condition upon which the Dawes Committee had insisted as essential to the accomplishment of the main part of their scheme, which referred to the payment of Reparation); and a fourth between the Allies themselves to interpret and if necessary to limit (with a view to making possible the negotiation of the German loan contemplated in the Dawes Plan) the rights, possessed by the Allies under the Versailles Treaty, of taking sanctions in the event of defaults on Germany's part.

The first of these necessary agreements was supplied by the instrument which had been signed by the Reparation Commission and the German delegation in London on the 9th August.[1] As for the others, it will be noted that the field of the second coincided with that of paragraphs (*g*) and (*h*) of the Anglo-French Memorandum of the 9th July. Of these paragraph (*g*) had been referred to the Third Committee of the London Conference and had afterwards been supplemented by the extension of that Committee's terms of reference.[2] Accordingly the five resolutions of the Third Committee, as modified by the corresponding International Sub-Committee and by the Special International Committee appointed to consider the German observations on the third of them, and as then approved by the conference, supplied the text for clauses 2–5 inclusive of the second necessary agreement mentioned above, while the text of Clause 1 was supplied by the report of the Legal Committee which had been appointed to deal with paragraph (*h*) of the Anglo-French Memorandum.[3] Similarly, the field of the third necessary agreement

[1] Text in the enclosure in No. 33 of *Cmd.* 2270.
[2] See p. 372, above.
[3] See p. 379, above.

coincided with that of paragraph (*e*) of the Anglo-French Memorandum, which had been referred to the Second Committee of the conference; and thus the plan drawn up by that committee, as modified by the corresponding International Sub-Committee and then approved by the conference, supplied the text for the third necessary agreement—except that point (1) in the Second Committee's Article 7, which related to deliveries in kind, was omitted, while the text of point (2), which related to the amnesty, gave place to the text on the same subject which had been supplied in the report of the Belgian, French, and German jurists.[1] Lastly, the field of the fourth necessary agreement coincided with that of paragraphs (*c*) and (*d*) of the Anglo-French Memorandum, which had been referred to the First Committee of the conference, and thus the report of that committee, of which certain interpretations had been accepted by the Allied delegations [2] in view of the German delegation's observations, supplied the text for the fourth necessary agreement. In pursuance of a further recommendation contained in the Fromageot-Hurst Report of the 25th July, the texts of the four agreements which the simultaneous labours of the Allied and German delegations to the London Conference and of the Reparation Commission had brought into existence between the 16th July and the 16th August were interlocked by being attached, as four annexes, to the Final Protocol of the conference which was initialed on the date last mentioned. It may be recalled that the first two agreements of the four were interlocked still more closely by the fact that the second of them constituted Annex II of the first.

As to the effect of these four instruments, it was not possible, either on the 16th August, 1924, or at the time of writing, to certify that they constituted a definitive settlement of the Reparation Problem; [3] but there was no doubt whatever that they represented an almost immeasurable advance upon any attempt to solve the

[1] See p. 379, above.

[2] See p. 379, above.

[3] It seemed unlikely that any attempt to collect Reparation by force would ever be made again. On the other hand, it was far from certain whether the Germans would pay—or, indeed, be able to pay—the full amount of the annuities required under the Dawes Plan, and there had been a diplomatic conspiracy—no doubt wisely inspired—not to raise such awkward questions as: (1) How long were the Dawes annuities to continue? (2) What was their relation to, and what had become of, the famous 132 milliards? and (3) Upon the true construction of the Dawes Plan, what was to happen when the railway and industrial bonds had all been redeemed? Would the Germans be under an obligation automatically to increase their budget contribution to the extent of the interest and sinking fund payments (which would then have come to an end) on the railway and industrial bonds?

question that had been made since the signature of the Versailles Treaty on the 30th June, 1919, more than five years before.

> It may be [said Mr. MacDonald in his concluding speech] that we have not been able to eliminate from every line and paragraph of our decisions the fears and suspicions which have flourished in Europe since the War as lustily as weeds in the devastated districts, but we believe that they are now the remnants of the crop, and that, as a whole, we can be happy at the results. . . . We are now offering the first really negotiated agreement since the War; every party here represented is morally bound to do its best to carry it out, because it is not the result of an ultimatum; we have tried to meet each other as far as the public opinion of the various countries would allow us. This agreement may be regarded as the first Peace Treaty, because we sign it with a feeling that we have turned our backs on the terrible years of war and war mentality.

Mr. MacDonald proceeded to console the German delegation, in friendly language, for the burdens imposed upon Germany in the agreements which they had just accepted, by pointing out the extent to which provision had been made for arbitration, and this point was taken up by Dr. Marx in his reply.[1] There had, in fact, been agreement in the conference 'on the principle of arbitration for everything which was not to be found in the Treaty of Versailles',[2] and this was a hopeful feature in the proceedings, though, as far as the Treaty itself was concerned, a general agreement to arbitrate questions of interpretation arising under it had not been arrived at. As another indication that the turning-point had indeed been passed, Mr. MacDonald was able in the same speech to announce to the conference that, as the result of diplomatic negotiations which had taken place between the Belgian, French, and German Governments while the conference was sitting, notes (dated on the day on which he was speaking) had been exchanged between those Governments by which it was arranged that, if the four agreements were carried out 'in the spirit of loyalty and pacification which had inspired the deliberations of the conference', the evacuation of the Ruhr should take place within a maximum period of twelve months to run from that day itself—that is, should take place not later than the 16th August, 1925—and that in the meantime the additional areas occupied after the 11th January, 1924,[3] should be evacuated without delay as a proof of French and Belgian goodwill.[4]

[1] *Cmd.* 2270, p. 100. [2] Statement by Sir John Bradbury (*ibid.*, p. 314).
[3] See Section (ii) above, p. 274.
[4] The texts of these four notes, and of a letter, likewise dated the 16th August, from Mr. MacDonald to MM. Herriot and Theunis in which the British Prime Minister took note of this Belgo-Franco-German correspondence,

(vii) The Execution of the London Agreements.

It remains to trace briefly the steps by which the various agreements of the 16th August, 1924, were carried into effect. It will be noted that, in the Final Protocol, the date for the actual signature of the four agreements was deferred from the 15th to the 30th August, and in consequence the time-table laid down in the agreement between the Allies and Germany (Annex III to the Final Protocol), as finally approved by the conference, was postponed by seventeen days.

On the 21st August the German draft laws for putting the relevant portions of the Dawes Plan into effect passed the *Reichsrat* ; [1] on the 29th August they passed the *Reichstag* ; [2] and on the 12th October it was announced that they had come into operation.[3]

On the 24th August the four conference agreements were approved in the French Chamber of Deputies by 336 votes against 204 ; [4] and on the 30th they were formally signed. On the same date, effect was given to Article 1 of the fourth (inter-Allied) agreement by the signature of a special instrument, providing for identical modifications of Annex II to Part VIII (Reparation) of the Versailles Treaty on the part of those six Allied Powers—Belgium, Great Britain, France, Italy, Japan, and Jugoslavia—which were represented on the Reparation Commission.[5]

On the 30th August the Reparation Commission announced

are reprinted in the Appendix from *The Times*, 18th and 19th August, 1924. While the tone of all five documents was friendly, each party maintained its own point of view. MM. Herriot and Theunis reaffirmed that ' the occupation of the Ruhr had been effected in virtue of the Versailles Treaty '. Dr. Marx reaffirmed that the occupation of German territory beyond the line defined in Article 428 of the Treaty ' could not be recognized as legal '. Mr. MacDonald recalled that the British Government had never recognized the legitimacy of the occupation or the Franco-Belgian interpretation of the Treaty on this point.

[1] *The Times*, 22nd August, 1924.
[2] *Ibid.*, 30th August, 1924.
[3] *Ibid.*, 13th October, 1924.
[4] *Ibid.*, 25th August, 1924.

[5] This fifth instrument, which was purely formal or ' architectonic ' and had no new content, had not been annexed to the Final Protocol of the Conference. The text will be found in *Cmd.* 2270, No. 53, and also (together with Annexes II, III, and IV, but not Annex I of the Final Protocol) in *Cmd.* 2259 of 1924. This was really the exercise of a power (unprecedented, apparently, in an international document) by which one party to a Treaty was entitled to modify its provisions without the concurrence of the other party. There was a good deal of controversy as to how far this power extended and the Germans in fact objected (probably with reason) that the modifications introduced into Annex II as a result of the London Agreement went beyond the power of amendment reserved to the Allies. They agreed, however, as part of the general settlement, not to object to these particular amendments. The controversy on this head might possibly have some interest in the future.

that Mr. Owen D. Young had agreed to act temporarily as Agent-General for Reparation Payments under the Dawes Plan, and on the 3rd September it appointed Mr. S. P. Gilbert as the permanent occupant of the post.[1]

On the 1st September the Reparation Commission made the announcement (due to be made by the 2nd September at latest)[2] that the German laws necessary for the working of the Dawes Plan had been promulgated in the terms approved by the Commission and that the Agent-General had taken up his duties.[3]

On the 9th September the levying of duty on the Franco-Belgian customs line between the Occupied and Unoccupied German Territory ceased.[4] It must be mentioned that, as from the same date, the rate of levy on goods imported from Germany into Great Britain under the Reparation (Recovery) Act,[5] which had been lowered from 26 to 5 per cent. as from the 26th February, 1924, by an agreement concluded between the British and German Governments on the 23rd February,[6] was raised to 26 per cent. again.[7] On the 20th September the French Government followed this British example in a decree imposing a 26 per cent. duty on German goods imported into France as from the 1st October.[8] These measures did not affect the total of the German annuities, in which, under the Dawes Plan, any proceeds of Reparation (Recovery) Acts were to be included.[9]

On the 10th October an agreement between British, French, Belgian, and American bankers and German financial delegates for

[1] *The Times*, 4th September, 1924.

[2] Third Agreement of London, Article 3.

[3] *Le Temps*, 2nd and 3rd September, 1924.

[4] In accordance with Ordinance No. 262 of the Rhineland High Commission dated the 3rd September, 1924.

[5] See *Survey, 1920–3*, p. 147.

[6] The *Deutsche Allgemeine Zeitung*, 26th February; *The Times*, 26th and 29th February, 1924. This agreement had been twice renewed, on the 15th April and the 15th June, 1924.

[7] *Le Temps*, 2nd September, 1924.

[8] For the text of this decree, which was made in execution of a law of the 21st March, 1921, see *Le Temps*, 21st September, 1924. See also the same journal, 22nd September, 1924. For texts of correspondence on the subject between the German and French Governments (notes of 26th September and 29th September respectively), see *Le Temps*, 3rd October, 1924.

[9] In a note addressed on the 14th November to the German Finance Minister, Mr. Gilbert, the Agent-General for Reparation Payments, insisted that the reimbursement to private German exporters of deductions made from their invoices on account of Reparation (Recovery) Acts must be made by himself, under authorization from the Transfer Committee, and not by the German Government (*The Times*, 17th and 18th November; the *Deutsche Allgemeine Zeitung*, 25th November, 1924. See further *The Times*, 29th November and 3rd and 19th December, 1924).

a loan to the German Government of 800,000,000 marks (gold) (£40,000,000) was signed at the Bank of England.[1] Provision was made for the participation of financial interests belonging to nine countries : the United States, Great Britain, France, Belgium, and Italy (representing the Allied and Associated Powers) ; the Netherlands, Sweden, and Switzerland (representing the former neutrals) ; and Germany herself. The largest portion ($110,000,000) was taken by the United States, while £12,000,000 was taken by Great Britain, £3,000,000 each by France and Switzerland, £2,500,000 by the Netherlands, £1,500,000 each by Belgium and Sweden, and £1,000,000 by Italy, thus leaving a small fraction to be made up by Germany. These were nominal amounts, for the loan not only bore interest at 7 per cent. but was issued at 92.[2]

The American portion was over-subscribed, on the 14th October, to an undeclared amount (the subscription books being opened only to be closed again immediately).[3] On the 15th, the British portion was covered thirteen times over ; [4] and it was further reported that the Swiss portion was covered a hundred and eight times,[5] the Dutch a hundred times,[6] and the Italian fifty-six times.[7] On the other hand, the French portion (which was handled entirely by the banks and was not placed, even nominally, on the open market) [8] appears to have been subscribed in part by British financial houses, on the condition that there should be no dealings in it except on the French Exchange.[9]

On the 10th October [10] the Reparation Commission, on its part, appointed the members of the Transfer Committee ; took note of the modifications in the Versailles Treaty, Part VIII, Annex II, provided for by the instruments which had been signed on the 30th August ; appointed a citizen of the United States (Mr. T. N. Perkins) to take part in the activities of the Commission according to the terms of those amendments ; approved the conditions of the Loan Agreement ; and decided to give to the service of the loan priority over all the other liabilities of Germany under the Dawes Plan (a decision which was one of the prerequisites of the success,

[1] *Le Temps*, 12th October, 1924.
[2] *The Times*, 13th October ; the *Deutsche Allgemeine Zeitung*, 19th November, 1924 (an excellent analysis).
[3] *The Times*, 15th October, 1924.
[4] *Ibid.*, 18th October, 1924.
[5] *Le Temps*, 13th November, 1924.
[6] *Ibid.*, 22nd October, 1924.
[7] *Ibid.*, 6th November, 1924.
[8] *Ibid.*, 24th October ; *The Times*, 13th October, 1924.
[9] The *Deutsche Allgemeine Zeitung*, 21st October, 1924.
[10] See *Le Temps*, 11th and 12th October, 1924.

described above, which the loan obtained when it was issued a few days later).[1]

After the signature of the Loan Agreement on the 10th October, and after the official announcement in Berlin on the 12th that the German laws passed in August had come into operation,[2] the Reparation Commission was able, on the 13th October,[3] to make the second announcement (due not later than the 7th October) to the effect that the remaining measures prescribed in its decision of the 15th July, 1924, had been fulfilled.

On the 28th October (that is, within a fortnight of the Reparation Commission's second announcement, as prescribed) the M.I.C.U.M. was liquidated,[4] and on the 29th the Reparation Commission made the formal declaration that the economic and fiscal unity of the *Reich* had been re-established.[5]

On the 12th November the Reparation Commission issued a communiqué[6] announcing that, in consequence of the putting into operation of the Dawes Plan, the Commission was to be reorganized on a reduced scale—the reorganization to be carried out progressively and completed by the 31st January, 1925.[7]

At midnight, the 15th–16th November, the Franco-Belgian Railway *Régie* handed over[8] the railways in the Occupied and Invaded Territories to the new company which had been created under the Dawes Plan (the Administrative Council of which had held its first meeting in Berlin on the 29th September).[9] In justice

[1] The American bankers were rightly insistent that priority should be given to the service of the loan; but they carried their point so far as to retain the charge of the loan even upon payments required as interest upon German railway and industrial bonds *after* these had been sold by the Reparation Commission. This condition, if not modified, was likely seriously to prejudice the sale of the bonds.

[2] *The Times*, 13th October, 1924.

[3] *The Times* and *Le Temps*, 14th October, 1924.

[4] See Section (ii), above.

[5] *Le Temps*, 30th October, 1924.

[6] Text in *Le Temps*, 13th November, 1924. Not only were a number of services suppressed which were otherwise provided for under the Dawes Plan, but the Principal Delegates, whose remuneration was much reduced, were no longer required to reside in Paris. The Assistant Delegates, who retained their former functions, were to carry on the current work on the Commission's behalf, the Principal Delegates meeting at intervals like a board of directors. The introduction of the new system was marked by the retirement of Sir John Bradbury, who had filled the arduous and thankless post of Principal British Delegate for five years with great ability and long-suffering.

[7] *The Times* and *Le Temps*, 13th February, 1925.

[8] *The Times*, 17th November, 1924.

[9] As reported to the Reparation Commission on the 10th October by M. Leverve, the Railway Commissioner appointed under the Dawes Plan. See *The Times*, 19th and 20th September, 1924, for two articles on the new

to the French and Belgian authorities it must be noted that in this case they anticipated by no less than four weeks the prescribed date, which did not fall until the 13th December, since the Reparation Commission's second announcement had been delayed from the 7th to the 13th October.

At the beginning of December the Inter-Allied Rhineland High Commission announced that the following relaxations would be made in the administrative regulations within the area of their jurisdiction :

1. German laws and decrees would in future 'in almost every case' be allowed to become operative in occupied territory at the same time as in other parts of Germany.

2. Persons whose expulsion had been decided on would in future be told the ground on which the order of expulsion was made and would be heard by representatives of the High Commission.

3. The right of the High Commission to veto such appointments of German officials as it considered might imperil the safety of the Armies of Occupation would not in future be exercised until the official concerned had been warned of the objection raised to his appointment and allowed to prepare a defence. The same principle would be applied in the case of dismissals of German officials.

4. Persons sentenced to imprisonment would not in future be removed from German territory to serve their sentences without a special order of the High Commission.

5, 6, and 7. The Ordinance authorizing the military authorities to prosecute tradesmen for making excessive profits, that allowing the occupying authorities to interfere in certain affairs of insurance companies, and that prescribing private letter delivery companies would be cancelled.

8. Formal reports of cases in the German Courts would not in future be called for from the German judicial authorities.

9. The Rhineland High Commission would instruct its local representatives to give the most favourable consideration possible to applications for permission to display flags at religious and national festivals and at sports meetings.

It was also announced that the Rhineland High Commission was considering further measures of relaxation concerning the restrictions on the Press and the protection of the liberty of individuals.[1]

These concessions not only cancelled some of the most serious innovations which had been made by the High Commission (the British representative abstaining) since the 11th January, 1923,[2] but involved the modification of certain ordinances which had been passed and decisions which had been taken at earlier dates. It may

German Railway Company by Sir William Acworth, who, together with M. Leverve, had originally investigated the German railways on behalf of the Dawes Committee (Dawes Report, Annex No. 3).

[1] *The Times*, 6th December, 1924. [2] See Section (ii) above.

be noted, however, that even these earlier acts of the Commission were not only incompatible with the Dawes Plan but were also difficult to reconcile with the Rhineland Agreement,[1] which the Commission had pledged itself, in its first proclamation, to carry out in spirit and in letter. Moreover, the second concession on the list still left the weapon of summary expulsion in the Commission's hands, and thus did not satisfy the not unreasonable demand of the Rhinelanders that this penalty should only be inflicted by sentence of a military court. Nevertheless, the concessions were a welcome alleviation of the Rhinelanders' lot.

On the 11th December the German delegates who, in accordance with the third London Agreement (Art. 6), had been attached temporarily to the Inter-Allied Rhineland High Commission in order to arrange, in technical conferences, the details of the execution of the agreement, left Coblenz, having brought their labours to a conclusion.[2] Indeed, by that date not only the economic evacuation of the Occupied and Invaded Territories but the repatriation of the exiles and deportees and the release of political prisoners had substantially been completed (the few outstanding cases on which agreement had not been reached were to be referred to a court of arbitration under a neutral president). In this matter the French Government was reported to have displayed its genuine determination to pursue a 'policy of appeasement' (*politique d'apaisement*) by overriding such obstacles to the fulfilment of the London Agreements as were raised by its local representatives.

Thus before the close of the year 1924 the putting into operation of the Dawes Plan had been completed; nor did Germany fail to do her part after the alleviations in her position which were incidental to the Dawes Plan had accrued to her, and when the preparatory measures which had been immediately followed by these alleviations had begun to produce their ulterior effect of placing upon the shoulders of the German people the heaviest burden of Reparation payments which they could safely bear. In response to an inquiry addressed to it on the 27th May, 1925, by the Conference of Ambassadors, the Reparation Commission decided unanimously, on the 29th of that month, that on that date Germany was faithfully fulfilling her obligations in the matter of Reparation as determined by the agreements of the 30th August, 1924.[3]

Two further matters arising out of the London Conference have

[1] See *Survey, 1920–3*, p. 101.
[2] *The Times*, 12th December, 1924.
[3] *Ibid.*, 30th May, 1925.

still to be dealt with : the evacuation by the French and Belgian troops of the German districts invaded later than the 11th January, 1923, and the reference to the Allied and Associated Finance Ministers of the French delegation's memorandum of the 2nd August, 1924, together with the American representative's letter of the 5th August, 1924.[1]

As early as the 4th December, 1923, it had been decided in view of the cessation of German resistance to reduce the numbers of the French and Belgian troops in the Invaded Territories and at the same time to regroup the remaining garrisons so as to make the occupation 'invisible'.[2] This movement had been begun before the end of the year and completed during January 1924 ; but the first evacuations of territory took place on the 18th August in fulfilment of the promise made by MM. Herriot and Theunis two days earlier. From that date onwards the withdrawal of the French and Belgian troops from the districts occupied since the 11th January, 1923, continued stage by stage, the last of these districts being evacuated on the night of the 17–18th November.[3]

Meanwhile, the question of the allocation of Germany's Reparation payments among her creditors, which had been settled, as far as the signatories of the Versailles Treaty were concerned, by the Spa Agreement of the 16th July, 1920, had been reopened by an unexpected claim on the part of the United States Government, which had originally disclaimed any desire to receive Reparation, to share in the Dawes annuities. In justification of this claim, the United States Government emphasized the provision in the Dawes Plan that future German annuities were to be inclusive of all sums payable by Germany, for expenses arising out of the War, to the Allied *and Associated* Powers. The United States, which had refrained from ratifying the Versailles Treaty and had concluded a separate peace with Germany on the 25th August, 1921, had in that instrument expressly reserved its claim to Reparation, and in dealing with the Allies it had likewise reserved its claim to the reimbursement of its costs of occupation.[4] Accordingly, when the French Government had

[1] See Section (vi), p. 379, above.

[2] *The Times*, 1st and 4th January, 1924.

[3] See *ibid.*, 19th August, 22nd, 23rd, and 24th October ; the *Deutsche Allgemeine Zeitung*, 19th August and 18th September ; and *Le Temps*, 15th November, 1924.

[4] See Section (ii), p. 275, above, for the agreement of the 25th May, 1923 on this subject between the American and Allied Governments. At the time of the London Conference of 1924 this agreement still remained unratified, but it was, no doubt, morally binding.

reopened the question of allocation during the London Conference in its memorandum of the 2nd August with reference to the disposal of the Franco-Belgian receipts from the Occupied and Invaded Territories since January 1923, the American representative had taken the opportunity of asserting his Government's claims, and, as has been mentioned in the preceding section, the whole question had been referred by the conference to the Allied and Associated Finance Ministers.

In regard to these American claims, an exchange of views, if not an understanding, appears to have taken place during the London Conference between the American and the French delegations; and on the 25th October the principal points in a conversation held on that day between M. Clémentel, the French Minister of Finance, and Colonel Logan, representing the United States Treasury, were embodied in a memorandum recording that in equity, without reference to the juridical question, France recognized in principle the right of the United States to receive, out of the Dawes annuities, payments on account of Reparation as well as payments on account of costs of occupation.[1] This concession (in making which the French Government may have been influenced by a desire to conciliate the American Government with an eye to the negotiations regarding the French debt to the United States, which could not be postponed much longer) did not commend itself to the British Government; and in a note of the 9th November Great Britain, while not challenging the American claim to the reimbursement of costs of occupation (which had been admitted in the agreement of the 25th May, 1923)[2] contested the American claim to Reparation. In the British view, the United States had forfeited its Reparation rights under the Versailles Treaty by failing to ratify that instrument,[3] while Germany, having ratified it, had no right, in the subsequent peace treaty between herself and the United States, to agree to American reservations which could only be put into effect at the expense of the signatories of the Versailles Treaty, to whom Germany was previously bound. It had always been understood

[1] *Le Temps*, 12th and 13th December, 1924; *American Journal of International Law*, January 1925.

[2] See Section (ii), p. 275, above.

[3] Since the Dawes Committee had been appointed by the Reparation Commission acting under the Versailles Treaty it was difficult to see how the mere use of the phrase 'Allied and Associated Powers' in the Dawes Report could confer rights upon the United States under a treaty which she had never ratified, when it was in virtue of this treaty that the Dawes Committee had reported.

that the American Reparation claim would be met out of the properties of private German nationals sequestrated in the United States.[1] On the 12th December the American Government replied in a note maintaining its Reparation claim, and on the 1st January, 1925, the British Government, while maintaining, on its part, its juridical position, announced that, in view of the contribution made by the United States to the success of the London Conference and the consequent signature of the London Agreements, the British representative at the forthcoming conference of Finance Ministers would not refuse to consider ways and means of giving satisfaction to the Reparation claims of American citizens.[2] The United States proved unwilling [3] to meet such claims by charging them against the sequestrated German properties (the method laid down in the Versailles Treaty which had been followed as regarded claims under the economic clauses by most of the Allied signatories of the Treaty).[4] A solution was eventually found during the Paris Conference in conversations between Mr. Churchill on the one side and Colonel Logan on the other, and the results were embodied in the agreement signed on the 14th January, 1925 (Art. 3).[5]

The other question on the agenda of the Finance Ministers' Conference was the settlement of accounts and allocation of profits arising from the Franco-Belgian operations in the Ruhr and the Rhineland since January 1923. Logically, the British contention that the Franco-Belgian operations in the Ruhr had been illegal implied that the proceeds ought to be handed back to Germany and that there ought to be no deduction of costs incurred by France and Belgium. Actually, the British contention had not been pressed

[1] For the contents of the British note of the 9th November, see *The Times*, 13th December ; *Le Temps*, 12th and 13th December, 1924.

[2] *The Times*, 31st December, 1924.

[3] This unwillingness was based on the two weighty grounds of humanity and respect for private property. At the same time it might be argued that the conscientious objections of the American Government and people, however laudable, ought to have been satisfied at the expense of the United States and not at that of her Associates, who might reasonably expect that, if the United States decided, after all, to claim a share in payments under the Versailles Treaty, she should be willing to adopt its machinery in full.

[4] *The Times*, 5th January, 1925.

[5] See below, p. 396. In the course of the negotiations the Americans in effect shifted their ground from a juridical claim to a claim in equity. This was a better ground ; but here, again, the claim would have been stronger if it had been made at the moment, more than four years earlier, when the Senate refused to ratify the Treaty—especially considering that, in the interval, Mr. Charles Evans Hughes (in his New Haven speech of the 29th December, 1922) had declared that the United States put forward no claim to Reparation.

at the London Conference; and, when once it was evident that there were profits which would not be handed back to Germany, and which therefore had to enter into the Inter-Allied accounts, some deduction on account of costs became inevitable. Thus the moral issue was allowed to go by default; but two material issues remained: on what basis were the Franco-Belgian costs of collection to be reckoned, and on what basis were the net profits to be distributed? For the period 11th January, 1923, to 30th June, 1924, the French and Belgian Governments reckoned their total receipts, in cash and in kind, from the Occupied and Invaded Territories together, at 3,519,340,319 French francs, approximately equal fractions being accounted for by cash receipts and deliveries in kind respectively. Against the deliveries in kind they proposed to set only the normal costs of occupation in the Occupied Territories (reckoned on the basis of the Inter-Allied Agreement of the 11th March, 1922),[1] the balance of deliveries received by either Power being debited to that Power. Against the receipts in cash they proposed to set the entire costs (military, administrative, and economic) of their activities in the Invaded Territory; and, on the basis on which they reckoned these costs, they arrived at a disposable surplus of 1,289,100,000 French francs under this head. By a Franco-Belgian agreement of the 12th May, 1923, it had been arranged between the two parties that this surplus should be devoted to meeting the Belgian priority [2] in the general Reparation account.[3]

These Franco-Belgian arrangements raised, directly, the question of the basis on which their costs of invasion were to be calculated in the Reparation Commission's accounts, and indirectly the question of when, and to what extent, Belgium's current percentage of Reparation receipts should be reduced in consequence of the satisfaction of her priority up to the amount originally agreed. Again, the fact that the Dawes annuities were to be all-inclusive raised the question of how much should be allocated to charges prior to Reparation, such as the costs of Commissions of Control and Armies of Occupation, and how much to the reimbursement of the War Loan which Belgium had received from France and Great Britain.[4]

[1] See *Survey, 1920–3*, pp. 166–8. [2] See *op. cit.*, p. 122.

[3] See *Le Temps*, 11th September, 1924, for the statement of accounts published by the French Minister of Finance in answer to an interpellation in the Chamber. (Compare *The Times*, 10th January, 1925.)

[4] Under the Versailles Treaty (Art. 232, last paragraph) France and Great Britain had agreed to take German bonds in satisfaction of Belgium's debt to them. The United States, on the other hand, had never consented to accept Germany as their debtor in place of Belgium.

Further, when these prior charges had been met, in addition to the service of the German Loan, which ranked before them all, the balance of the first Dawes annuity of one milliard marks (gold), as well as the balance (however reckoned) of the cash receipts from the Franco-Belgian operations in the Occupied and Invaded Territories since January 1923, would have to be distributed ; and this raised the question, not only of American participation, but of whether, as between the signatories of the Versailles Treaty, the percentages established in the Spa Agreement of the 16th July, 1920, were to stand. That they should stand was a cardinal point in British policy,[1] whereas not only the lesser signatories but France and Belgium had on a number of occasions pressed for a revision of these percentages in their favour. There was also the question of money compensation in lieu of the physical restitution of objects removed by the Germans from the French and Belgian territories under their occupation during the War—a question which threatened to reopen that of the Spa percentages in a roundabout way. Finally, there were unsettled points left over from the long series of inter-Allied agreements or failures to make agreements during the preceding years, which now rose up, one after another, like ghosts from a not completely buried past.[2]

In fact, the agenda of the forthcoming conference of Finance Ministers rapidly became so voluminous, intricate, and controversial that, following a familiar precedent, they were referred to a preliminary conference of experts, which met in Paris on the 27th October [3] and sat until the 23rd December. Those among the experts who had been employed on similar tasks during the first three years after the coming into force of the Versailles Treaty must have felt their hearts sink as they proceeded with their ' useful and important work of documentation and preparation ' in order to ' clear the ground ' for their principals.[4] Their report (which was credibly reported to be ' a document an inch thick, with copious appendices '),[5] must have reminded its authors painfully of similar offspring which, in each of those previous years, they had brought forth, with labour and travail, still-born. In the event, however, the conference belied the evil omens which ushered it in by resulting, not only in a compre-

[1] See for example, Mr. MacDonald's statement of the 23rd June, 1924, quoted on p. 367, above.
[2] For the multiplication of the agenda see *Le Temps*, 1st October, 1924 ; *The Times*, 28th October, 1924, and 5th January, 1925.
[3] *The Times*, 28th October, 1924.
[4] *Le Temps*, 9th December, 1924.
[5] *The Times*, 7th January, 1925.

hensive agreement on paper, but in the acceptance of this agreement by all parties in a spirit of goodwill and with a genuine determination to make it work.

This happy result was due partly to the better atmosphere which had surrounded the Reparation Problem since the acceptance of the Dawes Plan and still more since the signature of the London Agreements; partly to the fact that the Reparation Problem was already being pushed into the background by the question of Inter-Allied Debts, round which public interest and emotion were becoming concentrated;[1] and partly to the elastic and at the same time expeditious method by which the business of the conference was transacted. After the formal opening session on the 7th January, 1925,[2] it was decided by the representatives of the six Powers principally concerned (France, Belgium, Great Britain, Italy, Japan, and the United States) not to send the experts' report into committee but to bring the controversial points to an issue in private conversations, the results of which could then be reported to the plenary conference in comparatively simple terms.[3] This method was pursued with such success that substantial agreement on all the major questions had been achieved as early as the 11th January;[4] and in spite of the heaviness of the task, which devolved upon the experts, of fitting these agreements into a final draft,[5] the text was completed and signed on the morning of the 14th January.[6]

The following were the principal points in the more important articles.[7]

For the various Commissions of Control, including the new organizations set up under the Dawes Plan, a maximum normal prior charge on the Dawes annuities was established (Art. 1), to rank next after the service of the German Loan, which was the first charge of all. Similarly, the sum to be allowed as a prior charge for the respective costs of the three Armies of Occupation was fixed, as from the 1st September, 1924, at a much lower figure than any which

[1] The American delegates to the Paris Conference (Messrs. Kellogg and Herrick, the respective American Ambassadors in London and Paris, and Colonel Logan) were strictly debarred by their instructions from the State Department from discussing this question even informally (*The Times*, 5th January, 1925); but it was actively discussed during the conference between Mr. Churchill and M. Clémentel. The whole subject will be taken up in the *Survey for 1925*.

[2] *The Times*, 8th January, 1925.

[3] *Ibid.*, 9th January, 1925.

[4] *Ibid.*, 12th January, 1925.

[5] *Ibid.*, 14th January, 1925.

[6] *Ibid.*, and *The Manchester Guardian*, 15th January, 1925.

[7] Complete text published in *The Times* of the 15th January, 1925. For convenient summaries see *The Times*, 12th and 15th January, and *The Manchester Guardian*, 15th January, 1925.

France had been willing to accept before. Any additional army costs were to be met out of each Occupying Power's share in Reparation payments, but the whole of this arrangement was to be subject to reconsideration at the end of a year (Art. 2). The outstanding costs of the former American Army of Occupation were to be paid off in annuities (ranking above the current costs of the Allied Armies of Occupation) which were to be spread over about twenty years, instead of twelve, from the 1st September, 1926. The American Reparation claim was to be met by an annual payment of $2\frac{1}{4}$ per cent. in each year of that portion of the Dawes annuity which was available for Reparation, up to an annual maximum of 45,000,000 marks (gold). These arrangements were to supersede the agreement of the 25th May, 1923 (Art. 3). Five per cent. of each annuity, after the satisfaction of the above list of priorities, was to be assigned to the repayment of the Belgian War Debt to France and Great Britain (Art. 4) and 1 per cent. (rising to something more from the fifth year onwards) to payments in lieu of restitution (Art. 5). After the extinction of the Belgian priority, which was expected to occur at some date between the 1st September, 1925, and the 1st September, 1926, the Belgian percentage in the distribution of Reparation payments was to be reduced from 8 to $4\frac{1}{2}$ per cent., the other $3\frac{1}{2}$ per cent. being divided between Great Britain and France in the Spa proportions (Art. 6). The percentages of Greece and Rumania were fixed at 0·4 and 1·1 [1] per cent. respectively of Reparation payments

[1] Rumania was aggrieved at this allotment, on the ground that, although her percentage was thus raised only 0·1 per cent. above the 1 per cent. offered to her in the Spa Agreement, which she had hitherto refused to accept, she had failed to obtain her release from her obligations under the head of 'costs of liberation' (see *H. P. C.*, Vol. v, pp. 12–16) on which payments were due to begin in 1926, and this in spite of the fact that her prospect of obtaining any substantial Reparation receipts to set off against these liabilities had disappeared with the virtually indefinite postponement of Austrian and Hungarian Reparation payments. (See *The Times*, 12th January, 1925.) This grievance disappears when translated into figures, since Rumania's Liberation Bond liability had been fixed by the Reparation Commission at a capital value of 235,000,000 francs (gold) or less than £10,000,000 sterling, while her 1·1 per cent. of the Dawes annuities would bring her in more than £1,000,000 sterling in a normal year—the capital value of which, on any calculation, would be considerably greater. It may be added that the Liberation Bonds of 1919 had in effect been written off by the agreement of the 11th March, 1922, under which the Principal Allied Powers had agreed to take German 'C' Bonds (i. e. worthless paper) in discharge of them. Rumania's case was further weakened by the facts that she had originally presented an exaggerated claim for Reparation, that she had not cultivated good relations with the Reparation Commission, and that in 1919 she had herself invaded and committed depredations in Hungary (the proceeds of which were, at any rate nominally, to be debited to her Reparation account under the Trianon Treaty, Art. 181). It was, no doubt, such considerations as these that led the

available for distribution from Germany and of the first half of payments available from Austria, Hungary, and Bulgaria (Art. 7).

The above-named articles, dealing with the allocation of the Dawes annuities, formed the substance of Chapter I of the agreement. In Chapter II, dealing with the settlement of past accounts, the Ruhr accounts were provided for as follows (Art. 3). The Reparation Commission was to fix the value in gold marks of the receipts of every nature obtained by the French, Belgian, and Italian Governments from Germany since the 11th January, 1923,[1] drawing up separate accounts for deliveries in kind and cash receipts. Against these deliveries in kind there were to be allowed as deductions—besides the French and Belgian normal expenses of military occupation, for which provision down to the 31st August, 1924, was made, on the same footing as for British expenses of military occupation, in Articles 13 and 15 on the basis of the agreement of the 11th March, 1922[2]—'the extra costs incurred by the French and Belgian Governments during the period January 1, 1923, to August 31, 1924, through the maintenance of military forces in German territory, not occupied on January 1, 1923, after setting off the normal cost of the maintenance of these forces in their home garrisons'. The remainder of these deliveries in kind was to be debited to the two Powers. This represented a twofold victory for the British point of view, since the French and Belgians had originally proposed, first, to set off these extra costs of occupation (i. e. costs of invasion) against the cash receipts, and not against the deliveries in kind, arising from the Ruhr operations, and secondly to charge the gross cost of the extra forces employed, without allowance for what they would have cost in any case if they had stayed at home. On the other hand, as a concession to France and Belgium, it was agreed

Rumanian Government to sign the agreement of the 14th January, 1925, with certain reservations. The really interesting point about the 1·1 per cent. allotted to Rumania is that it gives a standard of comparison by which to measure the 2¼ per cent. allotted to the United States. When the amount of civil damage caused by Germany during the War of 1914 to private citizens in Rumania (a country invaded by German armies) and in the United States is compared, it will be seen that the percentage finally allotted to the two countries (1·1 and 2¼ per cent. respectively) out of the sums available for Reparation from the Dawes annuities bore no relation to the relative damages incurred, but simply recorded the disparity in diplomatic bargaining-power between the greatest of the Great Powers and a state of lesser calibre.

[1] The inter-Allied experts had found it impossible, during their preliminary conference of the 27th October–23rd December, to check the Ruhr accounts which were presented to them by the French and Belgian Governments (*The Times*, 7th January, 1925).

[2] See *Survey, 1920–3*, pp. 166–8.

that there should be allowed as deductions from the receipts in cash ' the civil costs of collection and expenses of administration incurred before August 31, 1924, and the costs of loading coal and exploitation of mines and cokeries up to the same date '. The balance of cash receipts was to be applied towards the satisfaction of the Belgian priority ; and in this the inter-Allied agreement of the 14th January, 1925, coincided with the Franco-Belgian agreement of the 12th May, 1923. Since, however, under the inter-Allied agreement, this balance would be larger, the effect would be to extinguish the Belgian priority at an earlier date and to this extent to benefit the claimants to Reparation as a body, while the special gains of France and Belgium would be diminished to a corresponding extent by the setting off, against their gross receipts in kind arising out of their activities in the Ruhr, of a considerably larger proportion of their actual out-of-pocket expenses than they had intended.

The three remaining chapters of the agreement of the 14th January, 1925—which dealt respectively with special questions arising out of previous agreements ; interest and arrears ; and miscellaneous questions—contained little that was of general importance, except for Article 25, which empowered the Reparation Commission to interpret the agreement by unanimous resolution and provided for arbitration in several categories of dispute over questions of interpretation which might arise.

It will be noted that the Spa Agreement was not set aside and that the percentages established by it therefore remained in force as the general basis for the distribution of sums available for Reparation payments.

The signature of this agreement on the 14th January, 1925, appeared at the time to mark the settlement of a problem which had baffled the statesmen of Europe since the coming into force of the Versailles Treaty on the 10th January, 1920, five years before. In his closing speech M. Clémentel drew the attention of his colleagues to the remarkable fact that this was the first occasion since the year 1919 on which official delegates of all the Allied and Associated Powers (including the United States) had met round the same table.[1]

[1] *The Times*, 15th January, 1925. The American representative at the London Conference of the preceding summer had not, of course, been an official delegate empowered to sign a diplomatic instrument on his Government's behalf.

(viii) 'War Criminals'[1]

In 1924 three cases arose under this head, one of which was important and interesting, another painful, and a third amusing.

The last-mentioned affair arose out of the movements of the ex-Crown Prince. In the autumn of 1923 it was reported that the German Government intended to grant the ex-Crown Prince a passport to return to Germany; and in response to an inquiry on the point which was made on the 9th November by the Conference of Ambassadors, the report was confirmed by the German Ambassador in Paris, Herr von Hoesch. On the 18th November, however, Herr von Hoesch addressed a note[2] to the Quai d'Orsay in which he enclosed a copy of the formal renunciation of the Prussian and Imperial Crowns which had been signed by the ex-Crown Prince on the 1st December, 1918; and he added that the ex-Kaiser had made no application for permission to return, and that the German Government pledged itself once again never to allow him to do so. This note was communicated to the Conference of Ambassadors, and on the 21st November the latter sent a second note[3] to Herr von Hoesch, in which they accepted his declarations, while warning him that the Allied Powers would hold the German Government fully responsible for any consequences which might result from the fact that it was permitting the ex-Crown Prince to reside in German territory. The ex-Crown Prince then moved from Holland to his estates at Oels in Silesia, after giving an undertaking to the German Government that he would abstain from taking part in politics. This pledge he seems to have observed in Silesia, even under temptation,[4] but on the 22nd May he moved again, this time from Oels to Potsdam.[5] Upon the announcement that he intended to take part there in the unveiling of two war memorials, the German Government hastily cancelled one of these celebrations and cut down the other (at which, after all, the ex-Crown Prince did not put in an appearance).[6] At Potsdam, however, the unveiling of war memorials seems at this time to have been an almost daily occurrence, and, under prolonged temptation, the ex-Crown Prince's good resolution

[1] See *Survey, 1920–3*, pp. 96–9 for the negotiations between the Allied Powers and the Netherlands concerning the ex-Kaiser, and for the Leipzig trials.

[2] Text in *L'Europe Nouvelle*, 22nd November, 1923.

[3] Text in *loc. cit.*

[4] See *The Times*, 12th April, 1924, for an account of his discreet behaviour at a celebration at Breslau on the 11th April.

[5] *Le Temps*, 24th May, 1924.

[6] *The Times*, 24th May, 1924.

failed. On the 14th June he satisfied his craving by attending one of these ceremonies in the field uniform of a general of division. Whether that was a breach of his pledge was never put to the test, since the Conference of Ambassadors prudently abstained from entering into a controversy with the German Government on this nice diplomatic question.

During January 1924 an important and interesting case was tried in Paris before the Belgian-German Mixed Arbitral Tribunal which had been set up under the Versailles Treaty (Art. 304). The plaintiffs were the Belgian workmen who, during the War of 1914–18, had been deported from the Occupied Belgian Territory by the Germans and had been forced to work behind the German front. The defendant was the German Government, which was sued for payment on two counts: for remuneration on account of work exacted from the plaintiffs, and for compensation on account of ill-treatment inflicted on them. These deportations had been one of the most serious misdemeanours on a large scale which the Germans had committed against enemy civilian populations;[1] and while the counsel for the prosecution, M. Pirenne, argued that his clients were entitled to redress not only in equity but under the German Civil Code,[2] the counsel for the defence, Herr Hittler, took the technical point that this claim fell under the head of Reparation, the total of which had been fixed by the Reparation Commission on the 28th April, 1921.[3] The case was adjourned until the beginning of June, when a model case, that of a workman named Loriaux, was submitted to the Mixed Arbitral Tribunal, which gave judgement on the 3rd June in favour of the plaintiff.[4] A year later the whole question was settled by an arrangement between the German Government and the National Federation, representing the deportees. An agreement was signed in Paris in July 1925 by which the deportees were to receive 24,000,000 francs. The agreement was subject to the approval of the Mixed Arbitral Tribunal, which was to meet at Lausanne at the end of the month.[5]

The painful case was of that of General von Nathusius. This German officer, who had held a command on the German front in

[1] For these deportations, see F. Passelecq: *Les Déportations Belges à la lumière des documents allemands* (Paris, 1917, Berger-Levrault).
[2] *Le Temps*, 9th and 10th January, 1924.
[3] See *Survey, 1920–3*, pp. 143–4.
[4] See *Recueil des décisions des Tribunaux Arbitraux Mixtes*, 4th year, Nos. 45–8, p. 674 (Paris, Librairie du Recueil Sirey).
[5] *The Times*, 14th July, 1925.

Northern France during the War of 1914–18, had afterwards been prosecuted in his absence before a French Court Martial, sitting at Lille, for alleged thefts of private property belonging to French civilians in the Occupied Territory, and had been condemned *in contumaciam* to five years' imprisonment. This trial and sentence, however, had remained unknown to General von Nathusius himself, and, in his ignorance, he applied to the French authorities at Strasbourg for permission to visit, on All Saints' Day, 1924, the grave of his father-in-law at Forbach, in the former German *Reichsland*, now reunited with France. The permission was granted, but when the General stepped out of the railway carriage at Forbach with his wife on the 1st November, 1924, he was immediately arrested; and while Frau von Nathusius was allowed to return home to Cassel, the General himself was imprisoned in the fortress at Metz, whence he was transferred on the 5th November to Lille,[1] in order that he might appear before the court martial in person. Here a member of the German Embassy in Paris was allowed to visit him, though only in the presence of a French interpreter.[2] On the 8th the German Government lodged a formal diplomatic protest in Paris against the arrest; but the French Government maintained that this was in order, since, although General von Nathusius's name had not been included in the list of 'war criminals' submitted to the German Government by the Allies,[3] the latter had taken the right under the Versailles Treaty (Art. 228) to prosecute any 'persons accused of having committed acts in violation of the laws and customs of war'.[4] Meanwhile, the General challenged the previous verdict of the court, on the ground that he had never received notice of the trial, but welcomed a re-trial (without prejudice to the technical question whether the court possessed jurisdiction or not) as the most expeditious means of clearing his character.[5] When the court met on the 20th November it agreed to a re-hearing;[6] and on this occasion it was admitted that the prisoner's conduct had been exemplary in every other respect and also that none of the property which he was alleged to have stolen had been found in his house at Coblenz, although the house had been searched for it after the Armistice, when Coblenz had come under Allied occupation.[7]

[1] The *Deutsche Allgemeine Zeitung*, 7th November, 1924.
[2] *Le Temps*, 7th and 9th November, 1924.
[3] See *Survey, 1920–3*, p. 98, n.
[4] *Le Temps* and *The Times*, 10th November, 1924.
[5] The *Deutsche Allgemeine Zeitung*, 14th November, 1924.
[6] *Le Temps*, 21st November, 1924. [7] *The Times*, 21st November, 1924.

Nevertheless, the Court (by six votes to one) [1] sentenced the General to one year's imprisonment and costs. Considering that the prosecution had failed to make its case, that the General was in his seventieth year, and that he had been allowed by the French authorities to place himself in their power without warning of the proceedings which they proposed to take against him, this verdict was indefensible from the standpoint of justice, while from the political standpoint it was delivered at a particularly unfortunate moment, when a general election campaign was in progress in Germany and when negotiations were on foot between the German and French Governments for a commercial treaty.[2] Happily, the verdict of the military court was not supported by French public opinion; and, on the proposition of the Minister of War, a pardon was signed on the 25th by the President of the Republic and General von Nathusius was released from prison next morning [3]—though not before he had protested against the pardon and demanded, instead, the reversal of the sentence.[4] When he arrived home at Cassel on the 27th, the General received a great ovation from his fellow-countrymen; but, in spite of this comparatively happy ending, the incident left much bitterness behind it.[5]

[1] *Le Temps*, 26th November, 1924.
[2] These negotiations will be dealt with in the *Survey for 1925.*
[3] *The Times*, 27th November, 1924.
[4] The *Deutsche Allgemeine Zeitung*, 29th November, 1924. The appeal was based on certain technical irregularities in the procedure, the defence objecting in particular to the composition of the Military Court which tried General von Nathusius, and alleging that it should, under French law, have consisted entirely of Generals. The appeal was finally rejected by the Court of Cassation early in 1925, on the ground that General von Nathusius was accused of an offence against the common law and was therefore tried not as a soldier but as a civilian (*ibid.*, 7th February, 1925).
[5] For the General's own account of his experiences, see *ibid.*, 30th November, 1924.

PART II

EUROPE

B. CENTRAL, EASTERN, AND NORTHERN EUROPE

(i) The Position of Italy.

It does not fall within the scope of this work to give an account of the internal affairs of each country, but in dealing with the South-East of Europe and with the Mediterranean it would be impossible to ignore the influence of the remarkable events which took place in Italy during 1922. On the 30th October of that year Signor Mussolini, the leader of the Fascist Movement, as the result of a congress and demonstration held a few days before which had led to the resignation of the Facta Government, was summoned by the King and undertook the formation of a ministry. The change was something other than the normal transference of power from the leader of one parliamentary group or *bloc* to the leader of another. It meant the establishment of a régime akin to a dictatorship and the temporary eclipse of parliamentary government.

The immediate causes of this striking event were to be found in the internal conditions of the country. For several years the Government had been in the hands of weak administrations, which had depended on shifting coalitions framed from the numerous parliamentary groups. At the same time the Socialists had in some parts of the country resorted to lawless acts which the Government had not been strong enough to suppress. The Fascist Movement was in its essence anti-socialist and also nationalistic. In particular, the party, while in opposition, had taken up a very intransigent attitude in regard to the question of Fiume and had supported the lawless acts which had been committed by Italian nationalists in that city.

There was, therefore, considerable apprehension in some quarters that the new Government might embark upon measures which would endanger the peace of Europe, and which would, in particular, make the relations between Italy and Jugoslavia more difficult. Some justification for this apprehension was to be found in the very

vigorous measures which Signor Mussolini adopted in 1923 after the murder of an Italian General occupied in the delimitation of the frontier between Greece and Albania ; [1] but fears of a similar display of intransigence in other instances were not realized. A meeting which had taken place between Signor Mussolini and Lord Curzon immediately before the opening of the Lausanne Conference in November 1922, when the Fascist Government had only been in power for a few weeks, had prepared the way for harmonious co-operation with other Great Powers, with whom amicable relations were maintained during the two following years in regard to the larger issues of European policy, such as the attitude of the Allies towards Germany and the Reparation Question. The Fascist Government also adopted a conciliatory attitude when frontier incidents threatened in the spring of 1924 to disturb the relations between Italy and Switzerland.[2] Above all, as appears from the account given in Section (iii) below, the establishment of a dictatorial Government in Italy helped rather than hindered the final settlement of the long-drawn-out dispute over Fiume.

(ii) Incidents on the Swiss-Italian Frontier (1924).[3]

On the 6th April, 1924, at Lugano, just inside the Swiss frontier, a Swiss non-commissioned officer and several private soldiers, who were spending their time off duty in a public house, amused themselves by singing ' The Red Flag ' and in other ways annoying certain Italian subjects who were present, and they declined to leave off when reprimanded by one of their own officers. On the 8th, at Ponte Tresa, again just inside the Swiss frontier, several other Swiss soldiers, in a column which had halted for a rest on the march, shouted some abusive remarks about Signor Mussolini for the benefit of persons standing on the Italian side of the frontier, and these persons unfortunately overheard what was said—though the disorderliness was suppressed so quickly by the Swiss non-commissioned officers that it did not come to the notice of the officers in charge of the column. The same evening Swiss soldiers bathing in the Lake at Madonna del Piano bandied abuse with Italian customs officials on the opposite shore.[4] In consequence of the

[1] See *Survey, 1920–3*, pp. 348–56. [2] See Section (ii) below.
[3] For the facts, as eventually established, see an official communiqué from the Swiss Federal Government, published in *Le Temps*, 22nd May, 1924.
[4] The *Corriere della Sera*, 15th April, 1924.

exaggerated reports of these incidents which spread through the neighbouring parts of Italy, Signor Tognetti, the *Sindaco* (Mayor) of Swiss Ponte Tresa, when he went on personal business to Varese in Italy on the 11th, without even knowing that any incidents had taken place, was kidnapped by the local *Fascisti* and only released after promising to send them an apology for the Ponte Tresa incident —a promise which he faithfully fulfilled, after his return home, by dispatching a telegram next morning from Italian Ponte Tresa. Signor Tognetti, on his part, sent in an exaggerated report of his experience to the Swiss authorities.

The Swiss Federal Government had already set on foot a military inquiry into the Ponte Tresa incident when, on the 12th April, the Italian Minister at Berne asked for information on the subject, whereupon the Swiss Government promised to communicate the results of its inquiry, with the request that the Italian Government, on its part, would make a similar communication in regard to the Varese incident.[1] Since the Varese *Fascisti* were reported to have threatened an incursion into Swiss territory, the frontier-guards on both sides were reinforced. Meanwhile the *Gruppo Milanese Arditi di Guerra Fascisti* telegraphed to Colonel Gansser, the Commandant of the Swiss Battalion in whose ranks the Ponte Tresa incident had originated, a challenge to fight a duel—an invitation which the Colonel transmitted, for information, to the Swiss Federal Council (the Swiss law forbidding soldiers as well as civilians to fight duels) ;[2] and on the 13th April the Italian officer in charge of the frontier on the Italian shores of the Lake of Lugano ordered the master of a Swiss steamer, which was in the habit of flying both the Swiss and the Italian flag, to strike the Swiss flag when touching at Italian landing-places—a demand to which the master responded by striking both flags simultaneously.[3]

These incidents were not more childish than many others which had been the seeds of war in Europe in the past ; and the mischief was considerably increased by the fact that they had occurred in the Canton Ticino—a salient of Swiss territory projecting into Italian territory southward from the St. Gotthard. In irresponsible quarters in Italy, especially since the *Fascisti* had come into power, the Ticino had been claimed as a *terra irredenta*—partly on the academic ground that its Swiss inhabitants spoke the Italian language, and

[1] The *Corriere della Sera*, 13th April ; *The Times*, 14th April, 1924.
[2] The *Corriere della Sera*, 13th and 16th April, 1924.
[3] *Le Temps* and the *Deutsche Allgemeine Zeitung*, 16th April, 1924.

partly for the practical reason that the complicated *tracée* of the Swiss-Italian frontier in this sector (especially where it traversed Lakes Maggiore and Lugano) made the prevention of smuggling a very difficult task for the Italian customs service. It was therefore not inconceivable that the local *Fascisti* might seize upon frontier incidents, however trivial, as a pretext for carrying on the tradition started during the *Risorgimento* by Garibaldi and recently revived at Fiume by Signor d'Annunzio.

On the 14th April the Swiss Government communicated to the Italian Minister at Berne the results of a second report from the committee of inquiry into the Ponte Tresa incident,[1] together with Signor Tognetti's deposition, and proposed that severe punishments should be inflicted on both sides.[2] On the 15th the incident was closed as the result of a conversation between Signor Mussolini and the Swiss Minister in Rome. Both parties undertook to communicate to one another the full *dossier* [3] of their respective inquiries ; the Italian Government undertook to impress upon *Fascisti* organizations the importance of avoiding frontier incidents ; [4] and the Swiss Government set on foot yet a third inquiry in the hope of discovering the individual soldiers who had shouted at Ponte Tresa. Since this not unnaturally proved impossible, they satisfied the feelings of the Italian nation by placing the company-commander under temporary arrest.[5]

Fortunately, the Governments afterwards gave proof of greater statesmanship than their respective nationals. During a visit of Swiss journalists to Milan in May, Signor Mussolini took the opportunity of declaring that ' a Ticino Question did not exist as far as the Italian Government was concerned ' ; [6] and on the 20th September there was signed the Italo-Swiss arbitration treaty of which some account has been given in a previous section.[7] This treaty promised to be a valuable safeguard to both countries in the not improbable event of similar incidents occurring again.

[1] The *Corriere della Sera*, 15th April ; *Le Temps*, 16th April, 1924.
[2] The *Deutsche Allgemeine Zeitung*, 16th April, 1924.
[3] *Le Temps*, 19th April, 1924.
[4] The *Corriere della Sera*, 19th April, 1924.
[5] *Ibid.*, 10th May ; *Le Temps*, 11th May, 1924.
[6] The *Corriere della Sera*, 22nd May, 1924.
[7] I. A (vi).

(iii) The Settlement of the Fiume Question (1921–4).[1]

In the *History of the Peace Conference of Paris* a full account has been given of the Adriatic controversy between Italy and Jugoslavia down to the exchange of ratifications of the Rapallo Treaty on the 2nd February, 1921.[2]

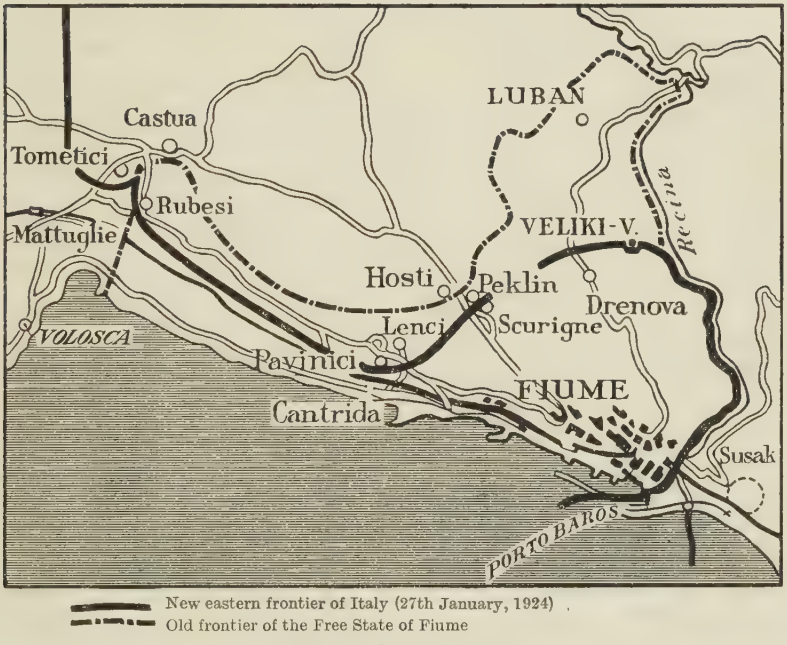
The Rapallo Treaty settled the frontier between Italy and Jugoslavia on the mainland from the Alps to the Adriatic ; established Italian sovereignty over the Dalmatian town of Zara as an enclave ; provided for the creation of an Independent State of Fiume ; and arranged for the protection of Italians in Dalmatia outside the Zara enclave, where the sovereignty passed to Jugoslavia. In all these matters, except the question of Fiume, the treaty was definitive, and only needed to be completed in detail by technical agreements over which serious political difficulties were not likely to arise. In regard to Fiume, again, the tension between Italy and Jugoslavia was greatly relieved by the firm line which the Italian Government took with Signor d'Annunzio, after the treaty had been ratified in the Italian Chamber on the 27th November, 1920, by 253 votes to 14. D'Annunzio's declaration of war against Italy on the 1st December was answered by military operations, as a result of which d'Annunzio's Legionaries evacuated Fiume and were replaced by Italian regular troops on the 18th January, 1921. Yet while the Fiume question was thus isolated and reduced to less provocative terms, it remained unsolved. The frontiers of the Independent State had still to be established, its Government had to be brought into existence, and its economic relations with the hinterland had to be restored.[3]

[1] A more or less consecutive account of events during this period will be found in G. Benedetti : *La Pace di Fiume, dalla Conferenza di Parigi al Trattato di Roma* (Bologna, 1924, Zanichelli), Part I, Ch. IV–VI inclusive. In this work it is not always easy to disengage the facts from the rhetorical and partisan commentary in which they are smothered.

[2] See *H. P. C.*, Vol. IV, Ch. V, Part (i) for the narrative ; and Vol. V, Appendix III (iii) for documents, including the text of the Rapallo Treaty, but not the text of Count Sforza's letter to M. Trumbić (dated the 12th November, 1920, the day on which the Rapallo Treaty was signed) regarding the Delta and Port Baroš.

[3] The position at Fiume was much more difficult than that at Danzig, where a superficially similar arrangement was made under the Versailles Treaty and proved to be not unworkable. In the constitution of the Free City of Danzig there was a League of Nations High Commissioner to mediate between the Polish and German elements in the population and also between Poland and Germany ; there was a population of 324,000 (*H. P. C.*, Vol. II, p. 215) instead of less than 40,000 ; and, above all, there had been no *Putsch* on either side. As compared with the Free City of Danzig, it is evident that the Independent State of Fiume started under great handicaps.

The Rapallo Treaty (Art. 4) laid down that the State of Fiume should consist of the area which had constituted the *corpus separatum* under the previous Hungarian régime,[1] together with a strip of territory in what had previously been the Austrian Crown Land of Istria, running north-westwards along the Adriatic coast up to the new Italo-Jugoslav frontier—this strip being added in order to place Fiume in direct territorial contact with Italy. Since the boundaries of this strip were defined in the treaty, while those of



Fiume: The Territory.

the *corpus separatum* were well established, the new frontiers of Fiume seemed precise ; but on the 12th November, 1920, the date on which the treaty was signed, the Italian Foreign Minister, Count Sforza, wrote a letter to the Jugoslav Foreign Minister, M. Trumbić, in which he agreed that certain localities within the former *corpus separatum* were to pass under Jugoslav sovereignty (notwithstanding the terms of the treaty). These localities were Port Baroš, an

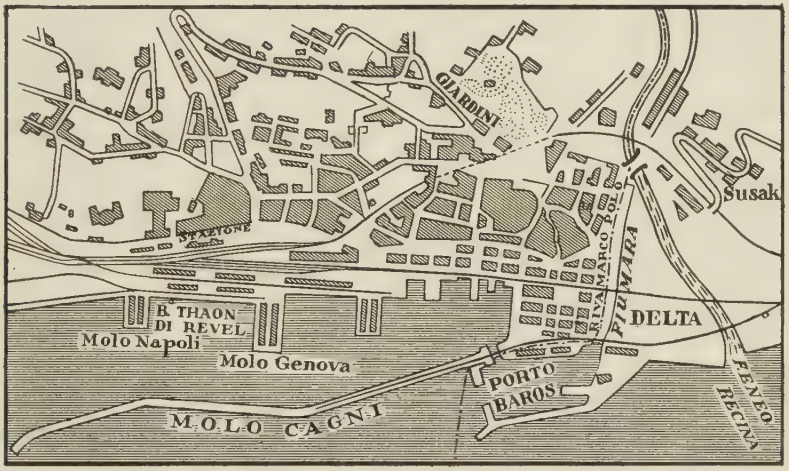
[1] Before the break-up of Hungary, Croatia had been a kingdom enjoying home-rule under the Hungarian Crown, but Fiume had been a *corpus separatum* or enclave in Croatian territory under the direct administration of Budapest.

artificial basin constructed at the old mouth of the River Recina (the stream flowing into the Adriatic immediately to the south-east of the town of Fiume, to which it had given its name), and the Delta between the old mouth (now turned into a canal called the *Fiumara*) and the new cut into which the Recina had been diverted and which debouched on the sea far enough to the south-east not to silt up the port. There were good economic and topographical reasons why Port Baroš (and the Delta, which necessarily went with it) should be incorporated in Jugoslavia, whatever the status of the rest of the *corpus separatum* might be. Port Baroš had been constructed specifically in order to serve the export trade in timber from Croatia, which was now part of Jugoslavia ; and further, if it had not been assigned to Jugoslavia, the Jugoslav town of Šušak, on the heights overlooking the south-eastern bank of the Recina, just outside the *corpus separatum*, would have had no effective access to the sea through Jugoslav territory. Thus the concession made in Count Sforza's letter was of great importance to Jugoslavia and doubtless weighed strongly with the Jugoslav Government when it was making up its mind to sign the Rapallo Treaty. Clearly the letter was as fully binding upon Italy as the treaty itself ; and this was expressly acknowledged by Signor Mussolini in a statement made to the members of his Cabinet on the 21st February, 1924,[1] in which he reviewed the course of events after a settlement had at last been achieved. Unlike the treaty, however, the letter was kept secret to begin with ; and although its immediate publication might conceivably have made it impossible for the Italian Government to secure the necessary public support for ratifying the treaty and ejecting Signor d'Annunzio, it is certain that the piecemeal and inaccurate disclosure of its contents, which inevitably followed, had much to do with the failure to settle the Fiume Question during the next three years. This mystification over one sector of the new frontiers of Fiume was the most immediately dangerous of the outstanding points at issue ; but the most serious point in the long run was the economic problem of restoring communications between the port and the hinterland ; since this hinterland, upon which the economic existence of Fiume depended, now lay entirely in foreign territory, whereas formerly Fiume, Croatia, and Hungary had been united in a single customs and railway area under the Hungarian Crown. Meanwhile, the most urgent practical task was to build up

[1] Italian text in Benedetti, *op. cit.*, pp. 135–8 ; English *résumé* in *The Times*, 22nd February, 1924.

an effective local administration in a community which had no strong corporate tradition.[1]

Upon the fall of Signor d'Annunzio the municipal authorities of Fiume were forced into the foreground. On the 29th December the dictator resigned his powers into the hands of the Mayor and People, and on the 31st December the Pact of Abbazia [2]—which placed it on record that ' the State of Fiume submits, under *force majeure*, to the application of the Treaty of Rapallo ', and which provided for the evacuation of the State by the Legionaries and the taking over of military and naval control by the Italian authorities—was



Fiume: The Port and Town.

signed by an Italian General of the one part and by representatives of the Municipal Council of the other. On the same day the Municipal Council ratified the Pact with a reservation regarding Port Baroš and the Delta,[3] assumed full sovereign powers, and appointed a Provisional Government with a mandate to hold elections for a constituent assembly.[4] Now that the d'Annunzio *Putsch* was over and

[1] In the former *corpus separatum* the Hungarian Governor had counted for more than the Fiuman Municipality.

[2] Italian text in Benedetti, *op. cit.*, pp. 281–2.

[3] The Municipal Council ratified the undertaking made by its representatives ' to submit . . . to the application of the Treaty of Rapallo as that treaty appears in the official communiqués, with a reminder to Italy that the *corpus separatum* of Fiume has always included the Delta and the Nazario Sauro Basin (now Baroš) *de jure* and that at the present moment it likewise includes them *de facto* '.

[4] Text of the order of the day of the 31st December, 1920, in Benedetti, *op. cit.*, p. 87.

the Legionaries had retired from the scene, the people of Fiume were at last able to give free expression to their political desires, with the result that, when the elections were held on the 24th April, 1921, the Nationalists, who had set their hearts on annexation to Italy whatever the economic consequences might be, were heavily defeated by the Autonomists, who saw the best hope of recovering their economic hinterland in making a success of the Rapallo Treaty. Seeing that the Provisional Government was in the Nationalists' hands and the town under the occupation of the Italian army, the Autonomists' victory could not be ascribed to terrorism ; but that remedy was promptly applied by their opponents. There was another Nationalist *Putsch* ; the electoral urns were burnt ; the Provisional Government resigned ; an ' Exceptional Government ' collapsed in two days ; and then the Italian authorities intervened by appointing one of the Nationalist leaders, Signor Bellasich, as ' Commissioner Extraordinary ', while the Autonomist leader, Signor Zanella, fled with his followers to Bakar (Buccari) in Jugoslav territory. The Italian Government tried to bring the two factions to terms, but Signor Zanella refused to compromise, and the Italian Government then cut the knot by appointing an Italian officer as Royal Commissioner,[1] who arrived at Fiume on the 13th June and to whom Signor Bellasich resigned his powers.

Meanwhile, after the ratifications of the Rapallo Treaty had been exchanged on the 2nd February, a mixed Italo-Jugoslav Commission for delimiting the new frontiers on the spot was appointed under Article 5 ; and when these Commissioners, who had begun with the non-contentious northern and western sectors, arrived at the eastern sector, the question of Port Baroš was raised in an acute form. At this point the Italian Government appears to have suspended the work of delimitation and to have dispatched its chief Delimitation Commissioner, Senator Quartieri, to Belgrade in order to negotiate for the joint technical administration of the whole port, Port Baroš included, by a consortium representing Italy, Jugoslavia, and the State of Fiume, without prejudice to the eventual position of the political frontier. These negotiations apparently ended in an agreement, at least in principle, in favour of a consortium which was to be maintained, in the first instance, for twelve years, and to be renewable thereafter. A convention on these lines was said to have been signed on the 5th June ; but it

[1] Since the evacuation of the Legionaries, Italy had been represented at Fiume by a Minister Plenipotentiary in addition to the Italian military authorities.

was also reported that the convention was to lapse unless all the three parties concerned had accepted it integrally by the 15th July, and before that date the prospects of a settlement had been destroyed by a fresh outbreak of disorder. On the 25th June Count Sforza admitted in the Italian Parliament that Port Baroš had been assigned to Jugoslavia (the contents of his letter of the 12th November, 1920, having by this time become notorious) and this sensational announcement in Rome [1] was followed on the 27th by a new *Putsch* at Fiume, where a party of Legionaries seized Port Baroš and the Delta by force. On the same day, the Giolitti Government, in which Count Sforza was Foreign Minister, resigned.

In September the Legionaries were induced to evacuate Port Baroš and the Delta without the use of force ; and on the 5th October the Constituent Assembly which had been elected on the 24th April, and in which the Autonomists had a strong majority, was at length convened by the Italian High Commissioner. Signor Zanella, the Autonomist leader, became President and attempted both to carry through the project for a consortium and to organize the Independent State in earnest ; but financial difficulties and the factious opposition of the Nationalist minority were too much for him ; on the 3rd March, 1922, he was overthrown in yet another *Putsch* (organized this time by the *Fascisti*) ; on the 6th a revolutionary ' Committee of National Defence ' asked the Italian Government to take immediate steps to restore order ; and on the 17th the Italian Government ordered the occupation of Fiume by Italian troops. On the 18th, however, the Ministry decided that, after restoring order, it would act in strict conformity with the Rapallo Treaty. Accordingly, while the civil administration of Fiume was handed over to Professor A. De Poli, the Vice-President of the Constituent Assembly and one of the leaders of the Nationalist Party in the State, the Italian Government made overtures regarding Fiume to the Jugoslav delegation at Genoa on the eve of the Genoa International Conference (10th April–19th May, 1922), with the result that, on the 9th April, an Italo-Jugoslav conference was opened at Santa Margherita in order to deal with the Fiume Question and other issues left over by the Rapallo Treaty. After tedious negotiations, an Italo-Jugoslav agreement and three conventions were signed at Rome on the 23rd October, 1922.[2]

[1] The Italian text of this speech is printed in a collection of Count Sforza's speeches published under the title of *Un Anno di Politica Estera* (Rome, 1921, Libreria di Scienze e Lettere).

[2] Italian texts in *Rivista di Diritto Internazionale*, Anno XV, Fasc. I–II, 1923 (Rome).

The agreement ' for the execution of the stipulations of Rapallo ' consisted of four articles, relating respectively to Zara, to Fiume, to two annexed technical conventions, and to the initiation of further negotiations for improving the economic, financial, and cultural relations between the two countries, as provided in the Rapallo Treaty, Articles 6 and 8. In regard to Zara it was agreed that, within twelve days from ratification, Italy should evacuate the third zone of the Dalmatian territory which she had occupied under the Armistice of the 3rd November, 1918, but had resigned to Jugoslavia under the Rapallo Treaty.[1] Simultaneously there was to come into force the first (annexed) convention ' concerning the customs régime and the frontier traffic between Zara and the adjoining [Jugoslav] territories '. In this convention, and in further paragraphs of the article relating to Zara in the main agreement, detailed and definitive provision was made for meeting the economic difficulties that were bound to arise between a small enclave under one sovereignty and a surrounding territory under another sovereignty.[2] A number of other practical or technical problems arising out of the partition of Dalmatia were dealt with in the third convention,[3] while the rest of this instrument, as well as the second convention ' for the suppression of smuggling and of contraventions of the financial laws ', was concerned with the general relations between the two countries.[4] Thus these instruments completed

[1] The disposal of the Dalmatian territory under Italian occupation which Italy had resigned to Jugoslavia under the Rapallo Treaty of the 12th November, 1920, had been provided for in an Italo-Jugoslav agreement made at Spalato on the 4th March, 1921. The territory in question was divided into three zones, which were to be evacuated successively. The first zone comprised the judicial districts of Pago and Obrovać, and the territory occupied by Italian troops in the judicial jurisdictions of Traù, Spalato, Verlicca, Dernis and Knin, and the Curzola Archipelago. The evacuation of this first zone was to begin on the 1st July, 1921. The second zone comprised the judicial districts of Sebenico, Scardona, and Bencovać, and the evacuation of it was to begin on the 20th April, 1921. The third zone comprised the judicial districts of Zaravecchia and Zara, and was not to be evacuated until further negotiations and understandings had taken place between the two Governments concerned. The first zone was duly evacuated on the date agreed; and the evacuation of the second zone, after being postponed by successive agreements between the two Governments, had finally taken place on the 9th–12th June, 1921.

[2] The similar problem of the economic relations between the Swiss Canton of Geneva and the surrounding French territory will be dealt with in the *Survey for 1925*.

[3] The following subjects connected entirely or almost entirely with Dalmatia were dealt with in the third convention: the Land Bank (*Istituto di Credito Fondiario*); the valuation of the movable and immovable properties of the Province of Dalmatia; the partition of assets of provinces and communes; the partition of the Dalmatian archives.

[4] The following general subjects were dealt with in the third convention:

in detail the settlements which had been arrived at in the Rapallo Treaty in regard to matters other than the Fiume Question ; but on this last head the agreement of the 23rd October, 1922, was no more conclusive than the treaty of the 12th November, 1920.

In the matter of Fiume it was now provided that Šušak—the town on the heights overhanging the left or south-eastern bank of the River Recina in what was indisputably Jugoslav territory—was to be evacuated by the Italian troops [1] within five days from the ratification of the agreement ; and that, as soon as the orders for the evacuation of Šušak had been given, a Mixed Commission of three Italian and three Jugoslav members, assisted by experts, was to proceed to supervise the evacuation of Šušak, to delimit the frontier between Jugoslavia and the Free State of Fiume ' in conformity with the dispositions of the Rapallo Treaty ', to open traffic with Fiume, to organize the services of the port on the technical and administrative side, and to organize the functioning of the State of Fiume on the basis of Article 4 of the Rapallo Treaty. The Commission was to complete its work within one month from its first meeting, though this time-limit might be extended by common agreement. In case of disagreement, recourse was to be had to the arbitration of the President of the Swiss Republic, as provided in the Rapallo Treaty, Article 5.

On the 26th October, 1922, three days after the signature of the four instruments at Rome, the *Fascisti* made their famous march upon that city ; the Ministry resigned ; and on the 30th October King Victor Emmanuel invited Signor Mussolini to form a Government, upon which special powers were conferred on the 26th November by Parliament. Throughout Europe, the *Fascista coup d'état* was

the systematization of interests connected with the domain lands of provinces, districts, communes, and other juridical persons of a public and local character ; the systematization of banks ; institutes of social insurance ; communications ; nationality of commercial firms and companies ; trusts ; avoidance of double taxation ; dispositions supplementary to the Rome Convention of the 6th April, 1922, regarding the law of citizenship ; preliminary and temporary provisions regarding the exercise of professions, industries and trades pending the conclusion of a commercial treaty ; application to Italian nationals in Jugoslav Territory (Dalmatia) of the benefits secured to minorities in Jugoslavia under the Minorities Treaty of the 10th September, 1919 ; rights of property ; eligibility to administrative councils and use of credit, in the case of either party's nationals in the territory of the other ; requisitions and sequestrations. In regard to salt water fishing in the Adriatic, the convention which had been signed by technical delegates of the two parties at Brioni on the 14th September, 1921 (text in the Italian *Gazzetta Ufficiale*, 27th February, 1923), was to be considered ratified (third convention of the 23rd October, 1922, Art. 44).

[1] Šušak had been occupied by Italian troops since November 1918.

felt at the moment to be a bad augury for the settlement of the Fiume Question. Even under an ordinary constitutional régime, the Italian people had shown a temper in regard to this question which had made it a perpetual danger to peace. How would Italy behave with an apparently irresponsible and violently Nationalist Government in the saddle? The widespread anxiety over this new development in the situation was not unreasonable in the light of past experience; but, in justice to Signor Mussolini, it must be said at once that, in his handling of the Fiume Question, he falsified these gloomy expectations. In one sense, no doubt, his position was easier than that of his predecessors, for the most ardent of his countrymen could not suspect him of half-heartedness or weakness of will, and therefore, when he declared that such and such a settlement was reasonable, or that it was the best that could be obtained, they were likely to take his word for it. In this case, however, his success was also due in large measure to a clearness and consistency of aim and a genuinely scrupulous respect for the commitments which he inherited. 'What', he asked, in the account of his stewardship which he eventually gave to his Cabinet on the 21st February, 1924,

> What was to be done in the face of this situation? We might have had recourse to the extreme measure of denouncing the Rapallo Treaty; but such denunciation with a view to bringing about a new territorial situation would have been the prelude to war, not to fresh diplomatic negotiations . . . not to speak of the fact that it would have brought half Europe into coalition against us. I declared then, with your full approval, in a speech delivered in Parliament on the 16th November, 1922, that, in conformity with the traditional conceptions of a state which is concerned to safeguard its reputation, treaties once signed must be executed. When the extreme and dangerous hypothesis of denunciation was thus dismissed, there remained no alternative but to apply the treaty, while seeking to improve it at any points where that might be possible. The solution which is now [on the 21st February, 1924] an accomplished fact was foreshadowed by me in 1922 at Lausanne, in my first conversation with the Jugoslav Foreign Minister, M. Ninčić. This must be established. The line which I have followed has been consistent, and [the actual settlement] is not the result of mere changes made at the last moment.

The meeting at Lausanne between MM. Ninčić and Mussolini, here referred to, took place before the end of November, and the ratifications of the instruments which had been signed at Rome on the 23rd October, 1922, were duly exchanged on the 26th February, 1923.[1] The Italo-Jugoslav Mixed Commission met at Abbazia on the

[1] In the interval between signature and ratification, certain minor points outstanding were settled in Italy's favour.

1st March ; Šušak was evacuated by the Italian troops on the 3rd ; the third Dalmatian zone was evacuated between the 3rd and the 11th ; and at the same time negotiations were opened at Rome for a commercial treaty.[1] The new Commission, however, like its predecessor, found itself paralysed by the unsolved crux of Port Baroš and the Delta. The Italians were unwilling to evacuate these areas unless and until a triple consortium for the common administration of the whole port were established ; [2] the Jugoslavs were unwilling to reopen the railway from Fiume to Zagreb unless and until Port Baroš and the Delta were handed over to them. The delimitation of the contentious sector was once more suspended, and the *impasse* continued until it was announced, on the 24th August, 1923, that Signor Mussolini had peremptorily requested the President of the Mixed Commission to present his report by the 15th September. That date passed without incident, but on the 16th came the resignation of Professor De Poli, who had been carrying on the administration of Fiume since the overthrow of the Zanella Government by the *Fascisti* on the 6th March, 1922 ; and on the 17th the Italian General Giardino took over control of Fiume as Governor in the name of the Italian Government. His instructions seem to have been to incorporate Fiume *de facto* in Italy in both the administrative and the economic sense. At any rate, he proceeded to work systematically to this effect.[3]

This seemed a dangerous method of cutting the knot, and European opinion was further alarmed by the comparison which inevitably suggested itself between the dispatch of General Giardino to Fiume and the occupation of Corfù, with which it was almost simultaneous.[4] In the case of Fiume, however, Signor Mussolini's action was neither so arbitrary nor so dangerous as it appeared on the surface.

In the first place, the Rapallo arrangement had now been proved

[1] *Rivista di Diritto Internazionale, loc. cit.*, p. 192.

[2] The Italians appear to have contemplated that while the juridical sovereignty over the Delta and Port Baroš should be vested in Jugoslavia at once, the consortium should last for 99 years, during which period the administration of these areas, as well as the port of Fiume proper, would remain in the consortium's hands. The Jugoslavs demanded that the administration, as well as the nominal sovereignty, of Port Baroš and the Delta should be made over to them forthwith.

[3] For example, he assumed the right of conferring the citizenship of Fiume and announced that he would not permit citizens driven out by the *Fascisti* to return. He also seems to have abolished the customs barrier between Fiume and Italy.

[4] For the Italian occupation of Corfù and the Janina Murders out of which it arose, see *Survey, 1920–3*, pp. 348–56.

conclusively to be unworkable by the experience of nearly three years, and all three parties were suffering in consequence. The port of Fiume was idle and the population without a livelihood; the hinterland, which included half the territories of Jugoslavia, was disorganized economically by the closure of its only maritime outlet and inlet; and the gravely embarrassed finances of Italy were burdened with the responsibility of providing funds to enable the Government of the Free State to live from hand to mouth, since the stagnation of the port made it impossible for the Free State to raise revenues of its own. For these reasons all three parties were heartily tired of the *impasse* and were therefore in a less intransigent frame of mind. In the second place, the dispatch of General Giardino to the spot was not the only step which Signor Mussolini took in the matter. Simultaneously he sent General Bodrero on a diplomatic mission to Belgrade, where negotiations were at once begun between the General and the Italian *Chargé d'Affaires*, Signor Summonte, on the one side, and MM. Ninčić and Pašić on the other. At the beginning of October parallel negotiations were started between Signor Mussolini himself and the Jugoslav Minister in Rome. Meanwhile the Rapallo Treaty and the four instruments signed at Rome on the 23rd October, 1922, had been registered on the 12th September, 1923, by the Secretariat of the League of Nations at the instance of both the Governments concerned; and on the 26th September M. Pašić's Government, which had remained a passive spectator of General Giardino's activities at Fiume, obtained a vote of confidence on this point from the Jugoslav Parliament.

Thus, on both sides, the atmosphere in which the new negotiations were conducted was unprecedentedly favourable; the decisive conversation between M. Ninčić and Signor Summonte at Belgrade took place on the 10th January, 1924 [1]—the opening day of the first 'Little Entente' Conference of the year, which was being held in the Jugoslav capital [2]—and the two instruments in which the negotiations resulted [3] were signed in Rome on the 27th of the same month.[4] They embodied the solution which Signor

[1] The *Corriere della Sera*, 12th January, 1924.

[2] For the history of the 'Little Entente' during the year 1924, see Section (vi), below.

[3] The texts of both are reprinted in the Appendix to the present volume. (For Italian texts see the *Corriere della Sera*, 30th January, 1924.)

[4] For an account of the ceremony, see the *Corriere della Sera*, 28th January, 1924.

Mussolini had first suggested to M. Ninčić in outline as early as November 1922 and which he had made public in greater detail on the 23rd September, 1923,[1] at the outset of the final negotiations.

The essence of the settlement was that the Free State should be extinguished and partitioned between Italy and Jugoslavia ; that while Italy took the lion's share of territory, ample economic facilities should be given to Jugoslavia in that section of the port which was to come under Italian sovereignty ; and that this local agreement should be accompanied by a general agreement between the two countries. In concrete terms, Count Sforza's concession of Port Baroš and the Delta to Jugoslavia, which Signor Mussolini recognized as being binding upon Italy, was to stand, and certain inland parts of the Fiume Free State, as defined in the Rapallo Treaty, were to be ceded in full sovereignty to Jugoslavia likewise ; but the remaining territories of the Free State (which would still be in direct territorial contact with Italy, though the coastal corridor would be even narrower now than previously) were to pass in full sovereignty to Italy. While this partition of the Free State settled the Fiume Question on its political side, the economic need of the Jugoslav hinterland for an adequate port (a need which Port Baroš alone did not satisfy) was met by the lease to Jugoslavia, for a term of fifty years (but without any rights of extra-territoriality), of one of the three basins in the main harbour of Fiume, with the adjoining quays and warehouses. These arrangements relating to Fiume were contained in one of the two instruments signed on the 27th January ; but the achievement of a local agreement, which had been attempted so many times before without success, might not have been possible on this occasion either, if there had not been negotiated and signed simultaneously a general ' Pact of Friendship and Cordial Collaboration ' between the two governments. This Pact, which was based on the same principles as the Pacts constituting the ' Little Entente ', was the most statesmanlike feature in the settlement. As Signor Mussolini himself expressed it in his statement of the 21st February, ' it was necessary, if the local agreement was to be fruitful of general results, to fit it into the framework of a wider agreement of a political character.' The terms and significance of this Italo-Jugoslav Pact will be discussed further in Section (vi), while the Fiume Agreement need not be analysed in detail in this place, since the text is reprinted

[1] See the *Giornale d'Italia* of that date.

in the Appendix.[1] It remains to record how the Fiume Agreement was received and how it was put into execution.

On both sides there were sore feelings to be overcome.

> Fiume as an autonomous and independent state [Signor Mussolini declared at Rome on the 21st February] would have been seriously injured by the loss of Port Baroš—so much so that, in order to avoid this damage, plans were worked out for a Port Consortium. With Fiume annexed to Italy, this amputation loses almost the whole of its significance, and ought to be regarded by the people of Fiume as the modest price which they are paying for their long-cherished ideal of annexation to Italy.

At Fiume itself, just a month before,[2] General Giardino had acted as father-confessor to a deputation of *Fascisti* ex-Legionaries who had taken part in the seizure of Port Baroš and the Delta in the summer of 1921, and had at that time bound themselves by a perpetual oath to resist the cession of these areas to Jugoslavia. What, in the General's opinion, was their moral position in view of the imminent agreement between Jugoslavia and Italy? The General replied that their oath, which had been patriotic while Fiume was a Free State, as it was at the time when they took it, would become anti-patriotic if they maintained it now that Fiume was Italian; but he took care to add that, if this change of circumstances was not sufficient to invalidate the oath, he would not fail to supply his interlocutors, collectively and severally, or any one else who offered to hinder him in putting Fiume in order, with a clear case of *force majeure*. Thereat the zealots announced their decision to accept what the Government had done, and they gave no trouble when Port Baroš and the Delta were eventually handed over by the Italian to the Jugoslav authorities.

In Jugoslavia, the terms of settlement were naturally unpalatable to the Croats and Slovenes; but the Serbs, who looked towards the Aegean rather than towards the Adriatic for their maritime outlet, were no doubt relieved to get rid of a controversy which did not affect their own vital interests, yet had hung like a millstone round their necks for the last five years; and the Fiume Agreement was ratified by the Skupština on the 19th February by 123 votes to 21—

[1] Except for the two technical annexes, of which A (17 articles) made detailed provision for the 'free zones' on either side of the frontier in the neighbourhood of Fiume (main agreement, Art. 4), while B (69 articles) made similar provision for the lease of the Thaon di Reval Basin to Jugoslavia (Art. 5), the mixed Italo-Jugoslav service in the main railway station at Fiume (Art. 6), the common traffic in the Fiumara Canal (Art. 7), the control of the Fiume aqueduct and the conservancy of the River Recina (Art. 8).

[2] The *Corriere della Sera*, 22nd January, 1924.

only the Democrats and Agrarians actually voting against it, though the Slovene, Clerical, and Bosnian Moslem Parties indicated their dissatisfaction by abstaining.[1]

On the 22nd February the Fiume Agreement was ratified by Italy, and on the same day the ratifications were exchanged [2] and the decree declaring Fiume annexed to Italy was promulgated.[3] Port Baroš and the Delta were duly handed over, without any untoward incident, on the 24th ; [4] on the 27th traffic on the Fiume–Zagreb railway was formally reopened ; [5] and on the 28th the Mixed Italo-Jugoslav Commission provided for in Article 3 of the agreement (the third commission of the kind in three years) actually completed the delimitation of the new Italo-Jugoslav frontier.[6] On the 2nd March the Government of the Free State was officially wound up by General Giardino as from the 1st of the month and was replaced by an Italian provincial administration.[7] On the 16th March the annexation was celebrated officially at Fiume itself in the presence of King Victor Emmanuel.[8]

The best proof that normal relations between the two countries had at last been established was to be found in the number of additional technical conventions which were negotiated between them before the year was over. On the 26th April a convention was signed for the avoidance of double taxation ; on the 2nd July an agreement was signed regarding the status of Serbian Orthodox Communities in Italy ; [9] on the 14th July a commercial and navigation treaty was signed, together with two railway agreements ; [10] and on the 12th August no less than eleven conventions, dealing with such varied matters as communications, posts and telegraphs, veterinary regulations, and Italian cultural institutions in Dalmatia, were signed at Belgrade.[11] These were followed on the 21st August by a consular convention ; [12] yet the volume of technical matters still remaining to be settled was so great that in September it was decided to hold a fresh conference,[13] and the delegates assembled

[1] *The Times*, 20th February, 1924.
[2] Both the instruments ratified on the 22nd February were registered at Geneva on the 7th April, 1924. (*Le Temps*, 8th April.)
[3] Text in Benedetti, *op. cit.*, p. 307.
[4] The *Corriere della Sera*, 26th February, 1924.
[5] *Ibid.*, 28th February, 1924. [6] *Ibid.*, 29th February, 1924.
[7] *Ibid.*, 3rd March, 1924.
[8] *Ibid.*, and *The Times*, 17th March, 1924.
[9] *Bulletin de l'Institut Intermédiaire International*, January 1925.
[10] *Ibid.*, October 1924. [11] The *Corriere della Sera*, 13th August, 1924.
[12] *American Journal of International Law*, January 1925.
[13] The *Corriere della Sera*, 23rd September, 1924.

at Venice on the 9th October.[1] On the 10th December M. Ninčić came to Rome to meet Signor Mussolini,[2] and the experts repaired to the capital from Venice in order to refer to their principals the most important points on which agreement had not yet been attained. At this meeting the last difficulties regarding the use of the port and railway facilities of Fiume appear to have been overcome,[3] and nine more conventions were initialled by the experts at Venice, subject to the approval of their respective Governments, during the last days of the year.[4] Even after this, the experts resumed their labours on the 15th February, 1925.

The improvement in Italo-Jugoslav relations was visible at the same time in other fields. On the 7th June, for instance, the two Governments exchanged declarations that they would not intervene in the particular disturbances which were taking place at that moment in Albania, and a permanent self-denying ordinance to the same effect seems to have been agreed upon reciprocally by MM. Ninčić and Mussolini at Rome in October. Incidents, again, which at any time during the preceding years would have brought the two countries to the brink of war, were now disposed of with common sense and courtesy on both sides. For example, on the 4th May there were anti-Italian demonstrations at Sebenico and Spalato ;[5] on the 24th June an Italian frontier post near Postumia was attacked by raiders from Jugoslavia and one Italian soldier was killed ;[6] on the 3rd July there was another frontier skirmish on the Gorizia sector, the casualties (two killed) being this time on the Jugoslav side.[7] In each case, however, prompt apologies were tendered by the Government whose nationals had been in the wrong ;[8] a joint commission was appointed to make inquiries and to study how to prevent such incidents from recurring ;[9] and on the Italian side, at any rate, these outbreaks seem to have been taken more calmly by public opinion than the much less serious affair in the Ticino.[10] At the close of the year 1924 the Adriatic Question had every appearance of being an extinct volcano.

[1] The *Corriere della Sera*, 10th October, 1924.
[2] *Ibid.*, 11th December, 1924.
[3] *Ibid.*, 14th December ; *The Times*, 15th December, 1924.
[4] For a list of these nine conventions, see *Le Temps*, 23rd December, 1924.
[5] *The Times*, 8th May, 1924.
[6] The *Deutsche Allgemeine Zeitung*, 27th June, 1924.
[7] The *Corriere della Sera*, 5th July, 1924.
[8] *Ibid.*, 14th May, 1924.
[9] *The Times*, 7th July, 1924.
[10] See Section (ii), above.

(iv) The Reconstruction of Hungary (1923–4).[1]

The project for the financial reconstruction of Hungary through the good offices of the League of Nations, which took shape in the course of the year 1923, was suggested by the previous reconstruction of Austria—an experiment which had been strikingly successful, at any rate in the first and most dramatic stages.[2] The technical problem ' in its main features was the same—a rapidly depreciating currency and an unbalanced Budget ; an inability in the financial, economic and political forces of the country to achieve unaided restoration '—and ' the solution found ' was ' also in its main principles identical '. In their non-technical aspects, however, the problems differed widely. ' The reason why Hungarian reconstruction started so much later than Austrian was not only that the [economic and financial] need was less urgent, but that the political difficulties were much greater.' In fact, while the reconstruction of Austria had seemed such a forlorn hope from the economic point of view that the League might have despaired of attempting it if there had also been very formidable political complications, in the Hungarian case the crux lay not in the economic and financial situation, bad though that had become by 1923, but in the political factors ; and thus the reconstruction of Hungary, though a less arduous technical achievement than that of Austria, had far greater political consequences, just because it involved, as a preliminary condition, the relaxation of a political tension which had governed the international situation in South-Eastern Europe since the end of the War of 1914–18. The economic and financial contrast between the Austria and the Hungary which had emerged from the War was thus described in 1924 by Sir Arthur Salter, who was one of the experts best qualified to make the comparison :

> The new Austria is essentially a financial and industrial country. More than three-quarters of her population derive their living from finance, trade, and industry, less than a quarter from agriculture. The greater part of both her food-supplies and her raw materials requires to be imported from abroad. Hungary, on the other hand, has always been and remains above all an agricultural country : the bulk of her people are on the land. She is more than self-sufficient in the prime necessities of life. One result has been that the fall of the currency which, by depriving Austria of her ability to import, menaced her with imminent starvation, was not so catastrophic or disastrous for Hungary ;

[1] For a general account, see the Supplement to the *League of Nations Monthly Summary*, May 1924.

[2] For the Reconstruction of Austria, see *Survey, 1920–3*, pp. 311–28.

and, for the same reason, the fall of the Hungarian crown was less rapid than the Austrian. Ultimate disaster, if the fall was not arrested, was indeed inevitable, but it was not so imminent. This is not the only contrast. The new Austria left by the Treaty of St. Germain was an amorphous fragment of the older and greater Austria, with a capital comprising more than a third of the total population, with frontiers which became economic barriers separating her urban population from the sources of their food, her factories from their raw materials and their markets. Hungary, though reduced to one-third by the Treaty of Trianon, retained her essential character and configuration. She remained a producing agricultural country, with population and resources alike reduced, but capable of much the same economic equilibrium. And she retained a strong sense of local patriotism.

Considering the political turmoils through which Hungary passed during the three years immediately following the Armistice—the Liberal Revolution ; the breakdown of the Liberal régime and the successive seizures of power by ' Red ' and ' White ' extremists ; the Rumanian invasion ; the two *Putsche* of the ex-King Charles ; and the perpetual friction with the surrounding ' Successor States ' [1] —the tenacity of her will to live was remarkable.

She made very real and determined efforts to restore her financial and economic position without external aid. The ' relief-credits ' given by foreign Governments to Austria amounted to some £25,000,000. Those asked for and given to Hungary amounted to only some half-million—one fiftieth part—and under her strong and courageous though misguided and unfortunate Finance Minister, Hegedus, a really heroic effort was made to balance the budget and restore the value of the crown.[2]

On the other hand, the same vitality which had nerved Hungary to make economic and financial efforts of which Austria had proved incapable had largely neutralized its own constructive efforts by flowing with still greater force into the political channel of irredentism. In the preceding volume it has been described how Hungary was, so to speak, the negative pole of the ' Little Entente ', and how this international vortex centring upon Hungary was one of the first political formations to emerge out of the chaos in Eastern Europe after the War. If Hungary in her weakness was capable of inspiring sufficient fear in her neighbours to call the

[1] These political vicissitudes have been described in the *History of the Peace Conference of Paris* and in the *Survey, 1920–3*.

[2] Sir Arthur Salter (from whom all the above quotations in the text are taken) gave three reasons of M. Hegedus's failure, namely : the disorganization left behind by the political turmoils ; the indefiniteness of the Reparation obligation, which had not yet been assessed ; and the over-ambitious attempt not merely to stabilize the crown but to improve its value.

' Little Entente ' into being, would these states agree to allow, or rather to assist, Hungary to recover her strength ?

This issue was raised when, on the 22nd April, 1923, Hungary formally requested the Reparation Commission to lift the charges imposed on her assets by the Trianon Treaty (Art. 180) so as to leave them free as security for an external loan. The Commission, while not rejecting the request in principle, laid down conditions which proved, on trial, to make the negotiation of a loan impracticable ; but the question thus raised was discussed on the 28th July, at the Sinaia Conference,[1] by the members of the ' Little Entente ', two of whom—Rumania and Jugoslavia—had relatively important claims upon Hungary for Reparation, while all alike were deeply concerned on the political side. At this meeting the three Governments agreed that the Hungarian request might be granted on the following conditions : there must be a financial control to prevent the proceeds of any loan from being misapplied ; ' most favoured nation treatment ' as compared with Hungary in regard to Reparation obligations must be granted to the members of the ' Little Entente ' themselves, all of whom (but especially Czechoslovakia) were debtors to the Principal Allied Powers and Belgium on account of ' costs of liberation ' and of the transfer of Hungarian and Austrian state properties ; Hungary must give her neighbours political guarantees of her loyal and pacific intentions ; the question of disarmament must be solved definitively ; and on the Austrian precedent, *a fortiori*, these political stipulations must be embodied in a protocol, reciprocally binding upon all parties, to be signed at Geneva.

The Sinaia decisions were greatly to the credit of M. Beneš and his colleagues, but

> In addition to general causes of distrust there were a number of specific disputes which had embittered Hungary's relations with her neighbours for several years and defied all attempts at settlement. Before the work could begin officially, it was necessary that these countries should not only acquiesce in Hungary's restoration, but positively desire it and actively collaborate in it through their organ the League, whose action they had power to block. This was a hard condition, very irksome to all those who were trying to prepare the way for League action. But it has proved an extremely valuable one. Every one knew that reconstruction could not begin until every country interested desired it : every one knew that this condition could not be realized until the outstanding disputes had been ended. The reconstruction scheme has thus given an impetus and a time-limit for the settlement

[1] See *Survey, 1920–3*, p. 302.

> of disputes which had dragged on for years. More than this, the League offered an unequalled opportunity for discussion and settlement. For months before September [1923], for example, both Dr. Beneš and Count Bethlen had recognized that it was desirable that they should meet and discuss their differences. But a meeting proved impracticable . . . The Assembly of the League offered exactly the opportunity required. Both Dr. Beneš and Count Bethlen were at Geneva for a month as members of the Assembly. Being there for this purpose they had the opportunity of meeting frequently and quietly for long and intimate discussions. Throughout the month the questions in dispute were then discussed between Count Bethlen on the one hand and Dr. Beneš (Czechoslovakia), M. Titulescu (Rumania), and M. Ninčić (Jugoslavia). Some of the questions were settled ; the rest were placed in the way of settlement. Many of these questions were trivial in character ; but even these had assumed an importance out of proportion to their original character through the political feeling which had gathered round them. They included questions of the nationality of a large number of persons who had migrated from Czechoslovakia to Hungary between 1918–21 ; as to the possession of certain archives of the old Empire ; as to the counter-claims between Hungary and Rumania in relation to the Rumanian occupation ; as to frontier difficulties which the Delimitation Commission had failed to settle ; as to armistice and restitution claims, and as to liberation bonds and Reparation claims which the Reparation Commission and the interested Governments had failed to settle ; as to transit difficulties where the new frontiers divided a railway station from the industries of the towns it served.

Before the Fourth Session of the Assembly closed, such progress had been made that on the 29th September, 1923, the representatives of the three 'Little Entente' states took the initiative in proposing [1] that, 'should an invitation be received from the Reparation Commission, the Council should authorize the Financial Committee and the Secretariat' of the League to take the necessary action, on the understanding that the representatives of the three states in question should be permitted to sit as members of the Council when the reconstruction of Hungary was under discussion. Both points in this proposal were accepted by the Council on the same day ; [2] and on the 17th October the Reparation Commission [3] again expressed its readiness in principle to raise the charge on Hungarian assets and revenues in order to allow the financial reconstruction of Hungary, but this time, instead of repeating the conditions in its earlier decision on which it had been found impracticable to raise a loan, the Commission responded to the suggestion of the League and indicated that, if it drew up a reconstruction plan, the

[1] *League of Nations Monthly Summary*, Supplement, May 1924, Doc. 2.
[2] *Ibid.*, Doc. 3.
[3] *Ibid.*, Doc. 4.

Commission would be prepared to consider favourably any decisions affecting Reparation which the plan might involve. The only definite condition now laid down was that the states holding claims against Hungary should be associated with the League in supervising the execution of the plan, by means of a committee which the Reparation Commission itself was to appoint.

On communication of this decision from the Reparation Commission, a preliminary investigation was conducted at Budapest by three officials of the League Secretariat and one of the Reparation Commission from the 6th to the 17th November, and then the Financial Committee of the League conferred with a Hungarian delegation in London from the 20th to the 28th. At this meeting of the League Financial Committee, the plan of reconstruction [1] was drawn up and was agreed unanimously in detail, the only question left over being the determination of the maximum figure for Reparation payments which would be compatible with the execution of the plan and especially with the raising of an international loan, which in the Hungarian, as in the Austrian, case was an essential feature. At its meeting in Paris on the 10th–20th December the Council referred this plan to a sub-committee on which the three Principal European Allied Powers, the three states of the 'Little Entente', and Hungary herself were represented; and meanwhile the Financial Committee met again, likewise in Paris, and reached agreement on the one point outstanding. Thereupon the Council accepted the plan; no veto was imposed upon it at the 'Little Entente' Conference held in Belgrade on the 10th–12th January, 1924; [2] the Hungarian Sub-Committee of the Council met in London on the 16th January and rejected a French suggestion that the Hungarian Reparation Moratorium should be reduced from the twenty years originally proposed in the plan to fifteen; [3] and the plan, now complete at every point, was formally transmitted to the Reparation Commission.

The principles of this Hungarian reconstruction plan were summarized by its authors, the League Financial Committee, as follows:

i. The stoppage of inflation with a view to the stabilization of the Hungarian crown, this being assisted by:

[1] *Ibid.*, Doc. 5.

[2] For the discussions at Belgrade regarding the Hungarian Reconstruction Scheme see *The Times* and the *Corriere della Sera*, 14th January, 1924; *Le Temps*, 15th January, 1924. M. Duca seems to have found more difficulty than his Czechoslovak and Jugoslav colleagues in assenting to the scheme, but to have yielded to the arguments of M. Beneš.

[3] See *The Times*, 16th January, 1924.

ii. An independent Bank of Issue enjoying the monopoly of note issue ;

iii. The balance of the budget by the 30th June, 1926, so that thereafter current expenses will be met by taxation without recourse to either inflation or loans ;

iv. A reconstruction loan, secured by specific Hungarian revenues, to cover the deficit till June 1926, so that inflation may be stopped without waiting till the budget is balanced (which could probably never be achieved while inflation was still in progress) ;

v. A control through a Commissioner-General appointed by, and solely responsible to, the Council of the League, for the purpose of ensuring the due execution of the whole programme.

The success of the scheme so outlined requires :

vi. Satisfactory political relations between Hungary and her neighbours ;

vii. Suitable arrangements with regard to her external obligations, particularly relief credits and Treaty charges.

And, to be ultimately successful, the scheme requires to be supplemented by :

viii. Economic restoration and development and all the measures required to assist it—in particular, commercial agreements with neighbouring countries.

It will be seen that, in its technical aspect, the Hungarian plan was closely modelled on the Austrian precedent ; and since the latter has been dealt with in the preceding volume, it is only necessary here to notice certain features in the Hungarian plan which differed from it.

Such differences were mostly due to the fact that the economic and financial position of Hungary was distinctly less unfavourable. For example, it was found sufficient to secure the international loan upon assigned and controlled Hungarian revenues, without the additional security of guarantees from foreign Governments ; and when the time came the provisional short-term loan was raised internally, without recourse at this stage to the international money market.

Again, it was found necessary to fix maxima for treaty charges during the reconstruction period, whereas in the Austrian case the prospect of demands for Reparation and other treaty payments had been reduced to vanishing point—partly owing to the large amount of the relief bonds, which enjoyed priority over treaty charges ; partly to the fact that the Governments represented on the Reparation Commission were also guarantors of the international reconstruction loan, and were therefore unlikely to ' make such demands as might have the result of bringing the guarantees into operation ' ; but chiefly, perhaps, because the utter impoverishment of Austria

was notorious. Hungary, on the contrary, was a rich agricultural country whose financial embarrassments might be expected to be temporary ; the amount of her relief bonds enjoying priority over treaty charges was comparatively small ; and the creditor Governments were not in this case also interested as guarantors of the reconstruction loan. Thus Hungarian treaty charges could not be ignored, and reference has already been made to the difficulty of reconciling reasonable consideration for the creditor Governments with satisfactory security for the investing public. The adjustments eventually arrived at were summarized as follows by one of the principal experts concerned :

> (i) The total demands in respect of Treaty payments (except those which are not imposed but only regulated by the Treaty, i.e. pre-war debts), including not only Reparation but restitution, costs of armies of occupation, armistice obligations, &c., are limited for a period of twenty years to an annual average of 10 million gold crowns.
>
> (ii) During the actual reconstruction period, there are to be no more Reparation payments, with the exception of certain limited coal deliveries which were already being made and for which provision was already included in the budget.
>
> (iii) In the years immediately after the reconstruction period the payments due are to be substantially less than the average.
>
> (iv) At any time during the currency of the loan, a Commissioner-General is to be in office if budget equilibrium is in danger, and while he is in office no Reparation payments can be made except with his assent, i.e. except when he judges that they are possible without preventing the execution of his primary work, the establishment of budget equilibrium and maintenance of the security of the loan.
>
> The Trustees representing the bondholders have the right to ask the Council to appoint a Commissioner-General with these powers whenever they can show that the equilibrium of the budget and the security of the loan is threatened.
>
> (v) The Reparation payments are made in Hungarian crowns. They can only be converted into foreign exchange so far as such conversion is compatible with the maintenance of the exchange value of the crown.[1]

It is interesting to compare the arrangements here summarized with those which were proposed for Germany on the 9th April, 1924, in the Dawes Report and were afterwards worked out in detail at the London Conference of the 16th July–16th August.[2]

There was a further difference between the Hungarian and the Austrian plans in the mechanism of control. While the absence of Governmental guarantees eliminated the ' Committee of Control

[1] Sir A. Salter in *League of Nations Monthly Summary, loc. cit.*
[2] See Part II A (v) and (vi), above.

of the Guaranteeing Powers ' which was a feature of the Austrian plan, the Reparation Commission had stipulated in the case of Hungary for a Committee of Control representing the creditor Powers. This committee was duly provided in the League of Nations plan, but at the same time it was laid down as essential that

(*a*) The Committee should meet outside Hungary, as the Committee of Control of the Guaranteeing States meets outside Austria ;

(*b*) That the Committee should (again on the model of the Austrian Committee of Control) make no communications to the Hungarian Government otherwise than through the Commissioner-General or the Council ;

(*c*) That the Committee should have no powers to impose or block action (as distinct from its right to require information) except by means of representations to the Commissioner-General, and, in case of difference, by appeal to the Council of the League.

The authors of the plan showed their appreciation of Hungary's latent financial strength by deciding that while considerable economies in expenditure were possible in certain directions, a net increase rather than reduction in terms of gold value was to be anticipated, and that a substantial increase in the yield of taxation was therefore necessary.[1] In touching upon economic policy and development as ' an essential corollary of a scheme of financial reconstruction ', they made two observations. It was essential, they submitted, that commercial treaties should be arranged which would allow the freer interchange of commodities between Hungary and her neighbours ; and the most vital thing for Hungary was that she should achieve the best production of—and find markets for—the products for which her natural resources and her natural aptitudes best fitted her.[2]

The ten chapters of the report embodying the plan were summarized in conclusion as follows :

This scheme must be considered as a whole. The strength of the security offered to the lenders depends upon the due execution of the whole plan of reform, of which all the parts as described above are interdependent. If the scheme as a whole, however, is executed :

A Bank of Issue founded (with an Adviser) under the conditions stated in V ;

[1] The current average incidence of taxation was estimated at about 27 gold crowns per head of population, as compared with 60 before the war (within the post-war area of Hungary). The Financial Committee of the League proposed to increase taxation again to 50 crowns per head within two years.

[2] This was a criticism of the artificial stimulation of industries by the State—a policy inherited by Admiral Horthy's Government from the pre-war period, when Hungary had been better able than in 1923 to afford the luxury of an unsound economic policy. The Committee urged that the national effort should be concentrated upon agriculture.

Financial stabilization effected (IV and V) ;
Budget reform begun in a complete and sufficient programme (VI) ;
Control established (VIII) ;
Revenues assigned (customs, tobacco, salt, sugar) (VII) ;
Additional revenues left available to be assigned if necessary (VII) ;
External obligations limited (X) ;

we consider that the conditions proposed for the issue of a reconstruction loan—to give a net yield of 250 million gold crowns, to cover the deficit in a period of reconstruction ending the 30th June, 1926, to be issued in several countries—offer a reasonable basis of negotiation and should be successful.

Although this plan was promptly made public after its approval by the Council of the League, an unfounded rumour arose that it was falling through at the eleventh hour, and this produced a fresh catastrophic fall of the Hungarian crown, which began on the 13th February, 1924,[1] and continued for a week.[2] On the 21st February, however, the Reparation Commission unanimously accepted the plan, and the panic was arrested,[3] though not before it had led to the resignation of Dr. Kallay, the Hungarian Finance Minister.[4]

The Reparation Commission's agreement with the plan and acceptance of the proposals in it affecting Reparation were conveyed in two decisions—one excepting from the treaty charges for a period of twenty years those Hungarian revenues which were to be assigned as security for the international loan and the other laying down the amount of treaty charges to be imposed on Hungary for the same twenty years period.[5] These decisions were conditional, first, upon the acquiescence of the Hungarian Government in certain interpretations of the plan, and secondly upon the signature, on or before the 31st March, 1924, by the respective Governments concerned, of two protocols in which the plan had been embodied meanwhile.[6] The Hungarian Minister in Paris, Baron Koranyi, agreed to the terms of the Reparation Commission's decisions on the same day ; [7] the two protocols [8] were signed at Geneva on the 14th March, and

[1] *The Times*, 15th February, 1924.
[2] *The Manchester Guardian*, 20th February, 1924.
[3] *The Times*, 22nd February, 1924.
[4] *Ibid.*, 21st February, 1924.
[5] Texts in *League of Nations Monthly Summary, loc. cit.*, Doc. 6, Nos. 3 and 4.
[6] The decisions of the Reparation Commission were also to be null and void if the loan were to prove such a failure that, before the 31st December, 1924, the League of Nations had not notified the Reparation Commission that it undertook to complete the reconstruction plan.
[7] Text of his note in *League of Nations Monthly Summary, loc. cit.*, Doc. 6, No. 2.
[8] Texts in *op. cit.*, Doc. 7.

on the same date the Council of the League accepted responsibility for proceeding with the plan.[1]

The Second Protocol, to which the Report of the Financial Committee of the League was attached as an annex, embodied specific and detailed undertakings on Hungary's part to take all the technical action and to accept all the technical conditions required of her under the plan, and this instrument was signed by the Hungarian representative alone. The First Protocol, which was political, was signed by Hungary of the one part and by the 'Little Entente' states and the Principal European Allied Powers of the other. This latter instrument (which need not be analysed here, since it is reprinted in the Appendix) was of great importance and interest for two reasons: in the first place, it was the crown and completion of that policy which was the *raison d'être* of the 'Little Entente'; and in the second place it introduced the two new principles of voluntariness and reciprocity which afterwards inspired the German Government's offer of the 9th February, 1925, to the Principal European Allied Powers and Belgium.[2]

The First Hungarian Protocol crowned the policy of the 'Little Entente' because it contained a free undertaking on Hungary's part, in return for valuable concessions from the other parties, to fulfil 'strictly and loyally' the obligations of the Trianon Treaty (particularly the military clauses) which she had originally incurred under duress and had observed thereafter under a continual threat of military sanctions on the part of the 'Little Entente'. The members of the 'Little Entente' obtained a double advantage: those Hungarian treaty obligations which hitherto had been simply juridical acquired a moral sanction through Hungary's voluntary acceptance of them, and at the same time the material sanctions which the 'Little Entente' states had hitherto imposed on their own account were immeasurably strengthened by the fact that the Principal European Allied Powers, as well as the 'Little Entente' states and Hungary, were signatories of the new instrument.

The German offer of the 9th February, 1925, was anticipated not only in the voluntary acceptance of treaty obligations by one of the Powers defeated in the War of 1914, but in the reciprocal acceptance of corresponding obligations by the other parties—an acceptance which promised to place the ex-victors and the ex-vanquished once more upon a footing of equality. The Allied Powers pledged them-

[1] Texts of resolutions in *op. cit.*, Doc. 8.
[2] For this offer and its sequel, see the *Survey for 1925.*

selves to ' respect the political independence, the territorial integrity and the sovereignty of Hungary ', and not to ' seek to obtain any special or exclusive economic or financial advantage calculated directly or indirectly to compromise that independence ', while it was ' understood that Hungary will maintain, subject to the provisions of the Treaty of Trianon, her freedom in the matter of customs, tariffs, and commercial or financial arrangements, and, in general, in all matters relating to her economic régime or her commercial relations '. The guarantees to Hungary were placed under the aegis of the League of Nations.

Thus the First Hungarian Protocol of the 14th March, 1924, accomplished much more than its immediate purpose of clearing the ground for the financial reconstruction of Hungary. It closed one phase in the international relations of South-Eastern Europe and foreshadowed the opening of a new phase in Europe as a whole.

After the signature of the two protocols at Geneva events moved quickly. In anticipation of signature, the League Council had sent a delegation of experts to Budapest in order to collaborate with the Hungarian Government in drawing up the programme of reform and reconstruction, which was to be realized by stages on the basis of the principles laid down in the Financial Committee's Report, and likewise in preparing a draft law for the constitution of a Bank of Issue. This delegation conferred with the Hungarian Government at Budapest from the 4th to the 22nd March regarding the practical steps that were to be taken to carry the reconstruction plan into effect.[1] The Government submitted drafts of the necessary legislation, and on the 21st March the delegation and the Government agreed to the texts of a draft law on the re-establishment of budgetary equilibrium with two annexes (the second of which contained a schedule of half-yearly reconstruction budgets) and another draft law on the bank (with statutes).[2] The most important provisions in the draft budget law [3] were that the two Geneva Protocols were to be ratified and to become Hungarian national laws, and that the Hungarian Government was to be authorized by Parliament to fulfil the obligations contracted in virtue of the Protocols. The delegation requested the Government not to fix the total suggested

[1] Text of the delegation's report, dated 25th March, 1924, in *League of Nations Monthly Summary, loc. cit.*, Doc. 9.

[2] See *op. cit.*, Doc. 9, Annex 2, for a letter dated the 21st March, 1924, from the Hungarian Prime Minister to the League delegation, covering the texts of these agreed drafts.

[3] For a summary of this law see *op. cit.*, Doc. 9, Annex 1.

revenue in the last half-yearly budget, in the course of which equilibrium was to be reached, at a higher figure than 400,000,000 gold crowns (equivalent to 50 gold crowns per head of population). At the same time, the delegation sanctioned an increase in the salaries of officials. The Government gave the delegation a time-table for the passage of the laws, the organization of the bank, and the floating of the loan.

This programme was successfully carried out. On the 1st April the Hungarian Government obtained a voluntary internal short-term reconstruction loan of 20,000,000 gold crowns, repayable out of the proceeds of the forthcoming international loan, from Hungarian banks and industrialists.[1] This was a creditable achievement, considering that during March the Government had also raised a forced internal loan in two instalments.[2] The combined proceeds of the two loans relieved the Government of the necessity for further inflation pending the negotiation of the international loan. On the 5th April the draft reconstruction laws were laid before Parliament,[3] and on the 17th (the exact day contemplated by the Government) they were passed.[4] On the 14th March the League had appointed a citizen of the United States, Mr. Jeremiah Smith, Junior, of Boston, as Commissioner-General.[5]

Meanwhile, negotiations had been in progress with the countries holding Hungarian relief bonds (Denmark, France, Great Britain, the Netherlands, Norway, Sweden, Switzerland, and the United States) to induce them to waive their prior claim upon Hungarian assets in favour of the reconstruction loan. The crucial negotiations were those with the United States, who held £400,000 worth of bonds out of a total of approximately £416,000.[6] When, therefore, it was announced, in the last days of April, that the Hungarian-American negotiations had been brought to a satisfactory conclusion,[7] it became evident that the chief remaining obstacle to the success of the loan had been removed. The Commissioner-General arrived in Budapest on the 1st May.[8] The subscription lists for the new Bank of Issue were closed on the 7th May, the necessary funds having been readily subscribed in Hungary itself,[9] and the bank

[1] *The Times*, 2nd April, 1924. The banks contributed 12,000,000 and the industrialists 8,000,000.
[2] *Ibid.*, 15th March and 4th April, 1924.
[3] *Ibid.*, 7th April, 1924.
[4] *Ibid.*, 19th April, 1924.
[5] *Ibid.*, 9th April, 1924.
[6] *Ibid.*, 7th April, 1924.
[7] *Ibid.*, 25th April, 1924.
[8] See *Le Temps*, 1st May, 1924, for an interview with Mr. Smith and Sir Arthur Salter at Geneva.
[9] *The Times*, 8th May, 1924.

opened on the 24th June.[1] The international loan was successfully floated in the course of July,[2] to a total of about £11,709,000, of which £7,902,700 was issued in Great Britain (in 7½ per cent. sterling bonds at 88, repayable in twenty years) and the remainder in the United States, Czechoslovakia, Italy, the Netherlands, Sweden, Switzerland, and Hungary.

In May 1925, when the Commissioner-General had been in office for a full year, the record of achievement was impressive and the outlook promising.[3] At that time less than £3,000,000 out of the £11,000,000 raised in the international loan had been expended. The financial year ending the 30th June, 1925, resulted in a surplus instead of a deficit, and accordingly the Hungarian Government did not have to draw upon the £4,000,000 which had been assigned to meet the estimated budget deficit for that year. In other words, the balancing of the budget, which had not been expected by the League experts until June 1926 was in a fair way to being achieved —at any rate temporarily—more than a year in advance. The Hungarian Government had the strength not only to impose but to collect high taxes, and one of the most hopeful features in the situation was the steady rise in the monthly yield of the assigned revenues—a rise which became perceptible as soon as the reconstruction plan began to be put into operation,[4] and which had reached such a point by March 1925 that the yield in that month alone produced 60 per cent. of the total sum required for one year's service of the international loan. It is true that there were less satisfactory features in the picture. In spite of the stabilization of the crown, the rate of interest remained excessive ;[5] and the surplus of educated men—an inevitable consequence of the peace settlement[6] which had been masked during the period of financial inflation and political turmoil—declared itself in the distressing form of wholesale unemployment in this class as soon as normal

[1] *Le Temps*, 25th June, 1924.

[2] *The Times*, July 1924, *passim*.

[3] See two articles by Sir William Goode, published respectively in *The Times* and the *Trade and Engineering Supplement* of *The Times* (International Banking Section) of the 23rd May, 1925.

[4] *The Times*, 30th June and 18th November, 1924.

[5] Sir William Goode, *loc. cit.*

[6] The reason why this was inevitable was that in pre-war Hungary, in which the Magyar nation had only accounted for about half the population, the officers and officials had been recruited almost entirely from Magyars of the educated class. Now that Hungary was cut down to considerably less than the national patrimony of the Magyars, while the army was limited to 35,000 men (Trianon Treaty, Art. 104), this policy of national hegemony recoiled upon those for whose benefit it had been pursued.

conditions began to return.[1] This was not only a social malady but a possible element of political instability, which would not be removed unless and until the surplus was absorbed through a general increase in the economic prosperity of the country—an increase which would depend partly on the policy of Hungary herself and partly on her relations with her neighbours.

One step towards a more enlightened economic policy, on the lines suggested by the Finance Committee of the League, was taken by the Hungarian Government in the progressive abolition of import and export restrictions (culminating in October 1924 in the removal of the restrictions upon the import of textiles),[2] though unfortunately this was largely counterbalanced by an increase in tariffs. An improvement in the relations between Hungary and her neighbours was indicated (as in the case of the relations between Italy and Jugoslavia) [3] by an outburst of activity in the negotiation of technical conventions.

On the 9th February, for instance, two protocols regarding frontier relations were signed with Czechoslovakia ; [4] and on the 8th March an agreement regarding mortgages was concluded with the same country.[5] On the 22nd March a commercial agreement on a ' most favoured nation treatment ' basis was concluded with Jugoslavia to come into force on the 1st July, 1924.[6] On the 27th March, at the conclusion of an Italo-Hungarian Conference held at Budapest to regulate questions outstanding between the two countries, nine conventions were signed dealing with financial, legal, and postal matters.[7] On the 16th April twelve conventions were signed with Rumania at Bucarest which provided for the settlement of outstanding judicial and financial questions arising from the application of the Treaty of Trianon and included a commercial agreement on a ' most favoured nation treatment ' basis.[8] On the 1st May the convention regarding archives which had been signed on

[1] See *The Times*, 24th November, 1924.
[2] See *ibid.*, 11th October, 1924.
[3] See Section (iii), above.
[4] Ratifications of these protocols were exchanged on the 15th October, 1924 (*Bulletin de l'Institut Intermédiaire International*, January 1925). On the 30th October ratifications were also exchanged with Czechoslovakia of conventions relating to legal and financial matters which had been signed on the 13th July, 1923 (*ibid.*).
[5] *Ibid.*, October 1924.
[6] *Ibid.* Negotiations for a new commercial convention with Jugoslavia were opened in October 1924 (*Le Temps*, 28th September, 3rd and 11th October, 1924).
[7] *Bulletin de l'Institut Intermédiaire International*, July 1924.
[8] *The Times*, 19th April, 1924.

the 6th April, 1922, by the ' successor states ' of Austria-Hungary was ratified by Czechoslovakia.[1] On the 13th June a Jugoslav-Hungarian Conference sitting at Belgrade was reported to have adopted the definitive text of a judicial assistance and extradition convention ; [2] and two days later it was announced [3] that an Inter-Allied Delimitation Commission had signed at Subotica a protocol definitely fixing the frontier between Hungary and Jugoslavia. On the 14th July yet another Jugoslav-Hungarian convention was signed, regarding agricultural and transit questions ; [4] while at the end of the year negotiations were still proceeding for the conclusion between the two countries of conventions regarding customs tariffs, railway and passport questions.

This plethora of technical agreements, long overdue, between Hungary and her neighbours was an unmistakable sign that the international situation in South-Eastern Europe had taken a turn for the better.[5]

(v) The Settlement of Bulgarian Treaty Charges (1921–4).[6]

The Reparation Chapter in the Neuilly Treaty (Arts. 121–31 and Annex) differed from those in the three other European Peace Treaties in several respects.[7] First, the total was fixed in the treaty itself at 2,250,000,000 francs (gold) (£90,000,000) payable in half-yearly instalments spread over thirty-seven years ; [8] secondly, the task of superintending the execution of this part of the treaty was entrusted, not to the Reparation Commission, but to a special Inter-Allied Commission which was to reside at Sofia and to consist of representatives of the three Principal European Allied Powers alone ; in the third place, this Inter-Allied Commission was to have

[1] *Bulletin de l'Institut Intermédiaire International*, October 1924.
[2] *Le Temps*, 15th June, 1924. The convention had not apparently been signed by the end of the year.
[3] *Loc. cit.*
[4] *Le Temps*, 16th July, 1924.
[5] See the report on the reconstruction of Hungary which was presented on the 11th September, 1924, to the Fifth Assembly of the League by its Second Committee and the Assembly's resolution of the same date.
[6] See an article entitled ' Bulgaria and Reparations ' contributed to the *Bulgarian Supplement* of *The Times*, 27th January, 1925, by Sir Elliot Colvin, formerly British Member of the Inter-Allied Commission for Bulgarian Reparation.
[7] See *H. P. C.*, vol. v, pp. 39–47 for an analysis, and pp. 327–30 for the text.
[8] The instalments were to include interest at 5 per cent. and a sinking fund sufficient to extinguish the capital debt within the thirty-seven years' period, which was to run from the 1st January, 1921.

discretion to recommend to the Reparation Commission, not merely reductions or postponements of particular payments due, but ' a reduction of the total capital sum to be paid by Bulgaria ', and the Reparation Commission was to ' have power *by a majority of votes* to make any reduction or postponement up to the extent recommended by the Inter-Allied Commission '. This judicial duty as a court of second instance, together with the passive role of receiving payments remitted by the Inter-Allied Commission from Bulgaria on account of treaty charges, were the only functions of the Reparation Commission under the Neuilly Treaty. The Bulgarian Government was to secure the passage of a law assigning to the control of the Inter-Allied Commission specific revenues sufficient to cover treaty charges.

The Inter-Allied Commission arrived in Sofia on the 26th February, 1921, and spent two years in investigating Bulgaria's capacity to pay, estimating what would be a reasonable figure, and negotiating with the Bulgarian Government as to what revenues should be assigned. The revised figure for the total to be paid was arrived at by a coincidence curiously similar to that which had guided the Reparation Commission in declaring the total liability of Germany.[1] ' Two of the delegations, working on entirely independent lines,' reached ' almost identical conclusions '. On the question of the assignment of revenues the negotiations proved difficult [2] and had virtually arrived at an *impasse*, when early in 1923 the way to a settlement was opened by M. Stamboliski.

> He offered the Customs revenues as a guarantee for Reparations, and proposed a full and frank discussion as to the figure to be fixed. . . . Finally, agreement was reached on a figure approximating to that which the Commission had fixed upon—a figure which the Commission felt justified in recommending to the Reparation Commission in Paris for acceptance. The protocol embodying the settlement was finally signed *ad referendum* by the three delegates and by M. Stamboliski on the 21st March, 1923,

and was approved by the Reparation Commission on the 1st May. The terms were afterwards summarized by the British delegate as follows :

> The whole Treaty debt of 2,250,000,000 francs (gold) was divided

[1] See *Survey, 1920–3*, pp. 141–3.

[2] See the note of the 21st July, 1922, from the Inter-Allied Commission to the Bulgarian Government ; the Bulgarian Government's note of the 27th July protesting inability to pay and demanding a three years' moratorium ; and the note of the 4th August, 1922, from the Inter-Allied Commission to the Bulgarian Government (*Le Temps*, 4th and 7th August, 1922).

into two parts, which may be described respectively as the active part, Tranche A, and the passive, Tranche B. Tranche A, which represented Bulgaria's total capacity for Reparations so far as it was discernible, was fixed at 550,000,000 francs (gold) and payment of capital and of interest at 5 per cent. was to be spread over a period of 60 years, the annuities being light and on a graduated scale for the first ten years and being enhanced after that date to a full and constant annual charge of about 43,400,000 francs (gold). Tranche B, the balance of the Treaty debt, was to stand over free of all claims, either for capital or interest, for a period of 30 years, but against it were to be set all claims for credits which under various sections of the Treaty Bulgaria was entitled to advance. . . . By way of guarantee for the execution of this agreement, the Customs duties were to be paid in full, as they were received each month, into an account standing in the name of the Inter-Allied Commission in the Bank of Bulgaria, the Commission undertaking to restore to the Treasury each month all surplus in excess of the amount required for the satisfaction of one-twelfth of the total annuity for the year.

This arrangement was not overthrown by the Bulgarian Revolution of the 9th June, 1923, since the new *Bourgeois* Government formed by Professor Tsankov took over without change the foreign policy of the previous Agrarian Government headed by M. Stamboliski. Under the settlement of the 21st March, 1923, it was estimated that, for the first ten years, the Reparation annuities would absorb at the utmost one-thirtieth of Bulgaria's total revenues.[1] The first half-yearly instalment was duly paid on the 2nd October, 1923, and the second on the 3rd April, 1924.[2]

It remained to settle the costs of military occupation, which in the Neuilly Treaty, as in the other European Peace Treaties, enjoyed priority over Reparation charges. The Inter-Allied Commission was eventually given a mandate to settle this matter likewise ; and on the 28th March, 1924, agreement was reached ' by adding a lump sum of 25,000,000 francs (gold) '—a very much smaller sum than the bill originally presented—' to the Reparation liability and arranging that its recovery should be effected during a period of ten years in the same manner and under the same guarantees as the Reparation payments '.[3]

In the agreement signed in Paris on the 14th January, 1925, by the Allied Finance Ministers, it was provided (Art. 23) that, down

[1] Sir Elliot Colvin, *loc. cit.* See also a correspondence on this question between Sir E. Colvin and Mr. Harold Spender in *The Times*, 16th and 18th July, 1924.

[2] Reparation Commission Communiqué of the 14th April, 1924.

[3] Sir E. Colvin, *loc. cit.* See also the *Deutsche Allgemeine Zeitung*, 25th March, 1924.

to the 31st December, 1926, Bulgarian payments under the Sofia Protocol of the 21st March, 1923, were to be distributed among the Allies in the proportions laid down in the Spa Protocol of the 16th July, 1920 (Art. 2).[1]

(vi) The 'Little Entente' (1924).

The political situation in South-Eastern Europe out of which the 'Little Entente' arose, and the history of the 'Little Entente' itself down to the close of the year 1923, have been recorded in the preceding volume.[2] In 1924 the local situation changed in three important respects, with the result that the 'Little Entente', though it manifested its existence in three conferences during the course of the year, began to lose its sharpness of outline and to show a tendency to merge into a wider system covering Continental Europe as a whole.

The three important changes were the relaxation of tension between Hungary and her neighbours which was marked by the signature of the two Reconstruction Protocols at Geneva on the 14th March (an act which had even greater political than economic significance);[3] the relaxation of tension between Jugoslavia and Italy which was marked by the signature of the Fiume Agreement[4] and the Italo-Jugoslav Pact on the 27th January; and the increase of tension between Rumania and Soviet Russia, which was marked by the breakdown of the Vienna Conference on the 2nd April over the question of Bessarabia[5] (a breakdown which was thrown into relief by the restoration in the course of the year of normal diplomatic relations between the U.S.S.R. and ten other European states, including the three Principal European Allied Powers).

The consequence was that the political 'vortex' created by the recalcitrance of Hungary towards the Trianon Treaty and by the concern to safeguard the treaty which this Hungarian attitude had produced in the 'Successor States', was greatly weakened, though it did not entirely subside; and therewith the principal *raison d'être* of the 'Little Entente' was diminished. Simultaneously, the divergence of interest and policy in regard to Soviet Russia between Rumania on the one hand and Czechoslovakia and Jugoslavia on the other, which had been kept in the background by tacit agreement

[1] See *Survey, 1920–3*, p. 120.
[2] *Ibid.*, pp. 278–303.
[3] See Section (iii) above.
[4] See Section (ii) above.
[5] See I. C. (vii) above.

during the previous years, was brought out into the open; for though Czechoslovakia and Jugoslavia did not follow the examples of Great Britain, Italy, and France in recognizing the U.S.S.R. *de jure*, they were less inclined than ever to commit themselves to supporting Rumania in a quarrel from which the Principal Allied Powers in Europe were now almost certain to hold aloof.

These two changes led the several members of the 'Little Entente', from different motives in each case, to seek closer relations with those two of the Principal Allied Powers which, being continental states themselves, were not unwilling to commit themselves to continental entanglements.[1] Rumania, who repulsed French overtures for an alliance in January, made overtures in that sense herself[2] after the breakdown of the Russo-Rumanian negotiations in April; Jugoslavia not only settled her controversy with Italy but entered into a 'pact of cordial friendship and collaboration' with her; but the most striking departure in policy was made by Czechoslovakia. Down to the latter part of the year 1923 MM. Masaryk and Beneš had resolutely held aloof from the orbits of the Great Powers and had concentrated their activities upon the single local objective of obtaining security against Hungary. In contrast to this, Czechoslovakia signed a treaty of friendship and alliance with France on the 25th January, 1924, that is, at a moment when M. Poincaré was still in power, when the French and British Governments were still in acute disagreement over the questions of the Ruhr and the so-called 'Separatist Movement' in Germany, and when it was still unknown whether the Dawes Committee would succeed in opening the way towards a settlement of the Reparation Problem.[3]

Equally noticeable was the increased desire of France and Italy

[1] *The Manchester Guardian*, 4th June, 1924.

[2] *The Times*, 17th April, 1924.

[3] In a statement made on the 6th February, 1924, to the Foreign Affairs Committee of the Czechoslovak Parliament (a French version of which was printed as a Czechoslovak White Paper, unnumbered), M. Beneš not only denied that there were any secret annexes to the published text, but sought to demonstrate that the Franco-Czech Treaty was simply a formal expression of the policy which had actually been pursued by Czechoslovakia for the past five years; and he gave the following explanation of why the act of signature should have been timed for this particular moment. In the first place Czechoslovakia had previously hoped that 'the principal support for the work of reconstruction and peace in the New Europe' would be supplied by the conclusion of an Anglo-French Pact, with which Czechoslovakia might find ways and means of associating herself, directly or indirectly. In the second place, he declared,

> We have waited until we had settled our immediate difficulties in Central Europe and had thus become sufficiently consolidated and strong to ensure

to enter into close relations with the members of the 'Little Entente'. Towards the close of the year 1923 the French Government offered credits for the purchase in France of munitions and other military equipment to Jugoslavia and Rumania as well as Poland; and it was evidently hoped that the treaty signed with Czechoslovakia on the 25th January, 1924, would be followed by the signature of treaties on the same model with her two partners. Even the rebuff to this project which France received in January at the hands of Rumania did not deter her from carrying forward the ratification of the Bessarabian Treaty of the 28th October, 1920, on the eve of the Russo-Rumanian negotiations, or from completing it immediately after the Vienna Conference had broken down.[1] As for the new South-East European policy of Italy, it was expounded as follows by Signor Mussolini in a statement which he made to his Cabinet on the 21st February, 1924, at a meeting in which the Fiume Agreement and the Italo-Jugoslav Pact were approved:

> The reasons for the political agreement do not need to be laboured. For too long the Fiume Question has been a kind of portcullis impeding a vision of, and direct and immediate contacts with, the immense Danubian world. Now Italy can only move in an easterly direction, the fact being that on the west there are national states which have taken definitive form and to which we can send nothing except our labour—though even our export of that may be prohibited or restricted any day. Therefore the lines for the pacific expansion of Italy lie towards the east; but, in order to arrive there, it has been necessary to begin by establishing relations of cordial and sincere neighbourliness with the first country that presents itself as soon as we pass beyond our own frontiers. In the quarters responsible for the policy of Jugoslavia, the true character of Italian policy has been realized and not only goodwill, but a loyalty that is above suspicion, have been shown in the contribution made on that side towards bringing the agreement about.[2]

These new developments in the policy of Italy and France on the

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that, having come to a [previous] understanding with our neighbours, we should simply be setting the seal upon our policy of peace and reconstruction in concluding an agreement with a Great Power like France, and should not thereby be threatening or exercising pressure upon other states—to ensure, in a word, that this agreement should be an act of peace and consolidation and not of political pressure.

M. Beneš then referred to the criticisms of the Franco-Czech Treaty in British quarters, and added that 'it would be logical to negotiate with Great Britain likewise'; but he justly pointed out that, 'as an insular country, England does not feel the need for such treaties and has little interest in concluding them with other states. On the contrary, her traditional policy has always been to decline rigid commitments on the Continent, especially in Central Europe.'

[1] See p. 265 above.

[2] Quoted from G. Benedetti: *La Pace di Fiume*, pp. 137–8.

one side, and Jugoslavia, Czechoslovakia, and Rumania on the other, took effect in the conclusion of three important international agreements : the Italo-Jugoslav Pact of the 27th January, 1924 ; the Franco-Czech Treaty of the 25th January ; and the Italo-Czech Pact of the 5th July. It may be noted that (as has been mentioned already) no Franco-Jugoslav or Franco-Rumanian agreement was concluded this year, and that a Czecho-Polish agreement was not concluded until 1925.[1]

In general it may be said that, in 1924, the relations of the several members of the ' Little Entente ' with France and Italy were more important than their relations with one another ; but this did not mean that the principles which had inspired the ' Little Entente ' were being abandoned. The three agreements of 1924, though either France or Italy was a party to each of them, were modelled on the agreements which the ' Little Entente ' states had previously made with one another, except that the new instruments imposed no military obligations. Moreover, the ' Little Entente ' states showed as strong a determination as ever to keep a free hand and not to let themselves fall under any Great Power's hegemony. Thus, though their local problems were growing less acute and the range of their interests was extending, the ' Little Entente ' statesmen did not alter the bases of their policy and showed themselves inclined, not to liquidate their partnership, but rather, if possible, to extend it from South-Eastern Europe over the entire Continent. In a general European entente, the divergence of interest between Rumania and her two existing partners might be resolved ; and this seems to have been the ideal in M. Beneš's mind when, at the Fifth Session of the Assembly of the League of Nations, he threw himself into the task of constructing the Geneva Protocol.[2]

It remains to trace in greater detail the history of the developments indicated above.

The proposal put forward by M. Poincaré's Government that 400,000,000 francs should be advanced to Poland, 300,000,000 to Jugoslavia, and 100,000,000 to Rumania [3] for the purchase in France of munitions and other military equipment aroused considerable opposition among the parties of the Left in France itself, and was

[1] This will be dealt with in the *Survey for 1925*. [2] See I. A. (v) above.
[3] In February 1924 M. Beneš stated to the Foreign Affairs Committee of the Czechoslovak Parliament, in answer to a question put by a German member, that Czechoslovakia had never asked France for armaments credits and that France had never offered them to her. (*Le Temps*, 10th February, 1924.)

also resented by British public opinion, on the ground that France was not justified in lending large sums (especially for an object which, in the British view, would not promote the pacification of Europe) unless and until she had made arrangements for meeting her own debts to her Allies. When the proposed credits had actually been voted on the 17th December, 1923, by the French Senate,[1] the British Government presented a note to the Polish, Jugoslav, and Rumanian representatives in London, inquiring whether these new French credits or the war debts previously owing to Great Britain were to have priority over the revenues upon which both obligations were secured.[2] The British note was discussed at the 'Little Entente' Conference which was held at Belgrade on the 10th–12th January, 1924,[3] and MM. Ninčić (Jugoslavia) and Duca (Rumania) were reported to have agreed in taking the view that the two debts were on a par and that the question of repayment was interdependent with the settlement of the Reparation Problem.[4] Eventually, the French offer was refused by Rumania on the 22nd January [5] and accepted by the Jugoslav Parliament on the 28th January by 112 votes to 72.[6] It was also accepted by the Polish Government.[7] The question of priority was raised once more in Mr. MacDonald's letter of the 21st February to M. Poincaré, but M. Poincaré turned it aside in a bland phrase of doubtful significance.[8]

The Franco-Czech Treaty took shape in an exchange of views between the French Government and MM. Masaryk and Beneš during the visit of the two Czech statesmen to Paris and London in October 1923;[9] and although it was not signed until the 25th January, 1924, and the ratifications were not exchanged until the 4th March, the terms, if not the text, seem to have been already fixed before the opening of the 'Little Entente' Conference at

[1] The Senate on this occasion voted the credits to Poland and Jugoslavia but not that to Rumania. The credits to all three countries had previously been voted by the Chamber, that to Poland on the 15th February, 1923, that to Rumania on the 29th May, and that to Jugoslavia on the 12th July.

[2] *The Times*, 8th January, 1924.

[3] The *Deutsche Allgemeine Zeitung*, 11th January, 1924.

[4] *The Times*, 14th January, 1924.

[5] The Rumanian Government appears to have been piqued at the greater alacrity which, in its opinion, was shown by the French Government in sanctioning the credits to Jugoslavia and Poland.

[6] *The Times*, 30th January, 1924.

[7] At the end of April 1925 the Polish Government, in view of the financial position of France, renounced the balance of the credit then outstanding, which amounted to 100,000,000 francs.

[8] For the MacDonald-Poincaré correspondence see p. 360 above.

[9] See *The Manchester Guardian*, 19th December, 1923.

Belgrade on the 10th January.[1] It will be seen from the text, which is reprinted in the Appendix, that this instrument conformed to the type of the ' Little Entente ' treaties (e. g. the Czecho-Jugoslav Convention of the 14th August, 1920) [2] in its objects but not in its obligations. The intention of the signatories was stated in the preamble to be ' to ensure respect for the international juridical and political order established by the treaties which they had signed in common ', just as, in the preamble to the Czecho-Jugoslav Convention, the main purpose of the instrument was declared to be the maintenance of the Treaty of Trianon. On the other hand, while Articles 2 and 3 of the Czecho-Jugoslav Convention, and the corresponding articles in the complementary ' Little Entente ' Agreements, bound the parties to give one another military assistance on the basis of military conventions in the event of an unprovoked attack upon any of them by Hungary, Articles 1 and 2 of the Franco-Czech Treaty merely bound the parties to consult one another on questions of foreign policy involving a danger to their security or to the treaties signed in common, and to come to an agreement as to the measures to be taken to safeguard their common interests in the event of their being menaced. They were also ' to consult one another on the measures to be taken ' in case of attempts to bring about the *Anschluss* of Austria to the German *Reich* (Art. 3) or to restore the Hapsburg Dynasty in Hungary (Art. 4) or to restore the Hohenzollern Dynasty in Germany (Art. 5). They likewise bound themselves (on the ' Little Entente ' model) to consult one another before concluding further agreements [with third parties] and to communicate to one another their existing commitments affecting their policy in Central Europe (Art. 7). A new departure was that, ' in accordance with the principle set forth in the Covenant of the League of Nations,' disputes between the two contracting parties themselves which could not be settled by friendly agreement and by diplomatic means were to be submitted either to the Permanent Court of International Justice or to arbitrators.

Owing largely to the juncture at which it was concluded, this Franco-Czech Treaty aroused misgivings in Great Britain, Germany, Poland, and Italy ; and its terms had no sooner been announced (which was done some weeks before the text was signed and published) than their apparent inoffensiveness gave rise to the rumour that there were secret military clauses. As early as the

[1] *Le Temps*, 8th January, 1924, quoting the semi-official *Prager Presse*.
[2] See *Survey, 1920–3*, p. 287, and, for the text, pp. 505–6.

1st January, 1924, the Czechoslovak Minister in London, M. Mastny, found it advisable to declare authoritatively in advance, in a letter to *The Times*,[1] that the treaty would ' be found not to contain any features equivalent to a military alliance '. On the 18th March the *Berliner Tageblatt* published the text of an alleged secret agreement between France and Czechoslovakia containing a number of military provisions as well as a pledge to intervene if either party, or Poland, found itself at war with Germany.[2] Categorical *démentis* were issued by the Czechoslovak Legation in Berlin on the 18th March and by the Quai d'Orsay on the 19th,[3] to which the *Berliner Tageblatt* retorted on the 21st by publishing the alleged text of another Franco-Czech secret treaty purporting to have been concluded on the 28th October, 1918, and providing that, for a period of ten years, the Czechoslovak army should be under the absolute control of the French General Staff.[4]

Meanwhile, the Polish Press had commented unfavourably upon the fact that the Franco-Czech Treaty only referred to treaties signed in common by France and Czechoslovakia (that is, to the three Peace Treaties between the Allied Powers and Germany, Austria, and Hungary respectively) and that it passed over in silence the other allies of France, such as Poland, and the other Peace Treaties, such as the Russo-Polish Treaty of Riga.[5]

On the eve of the Belgrade Conference of the 10th–12th January, 1924, it was rumoured that M. Beneš intended to advocate the conclusion of Franco-Jugoslav and Franco-Rumanian treaties on the Franco-Czech model.[6] But the new departure in Czechoslovak policy does not seem to have commended itself to Czechoslovakia's allies, and before the conference met it had become clear that they did not intend to follow her lead.[7] Officially, at any rate, the question did not even appear on the agenda.[8]

[1] Published on the 2nd January, 1924.

[2] The German text purporting to be a translation of this alleged secret Franco-Czech agreement, together with four other related documents (one of them a secret Czecho-Jugoslav Protocol purporting to have been signed by MM. Beneš and Ninčić during the Belgrade Conference of the 10th–12th January, 1924), was reprinted from the *Berliner Tageblatt* in the *Deutsche Allgemeine Zeitung* of the 20th March, 1924.

[3] *The Times*, 19th and 20th March, 1924.

[4] The *Corriere della Sera*, 21st March, 1924.

[5] *Le Temps*, 5th January, 1924. See also the message published in *The Times* of the 4th January from its Berlin correspondent.

[6] *The Times*, 7th January, 1924.

[7] *Ibid.*, 7th, 10th, and 12th January ; the *Corriere della Sera*, 9th January, 1924.

[8] See *The Times*, 12th January, 1924.

In striking contrast to this was the fact that on the 10th January, the first day on which the ' Little Entente ' Conference was in session, there took place in Belgrade the decisive conversation between M. Ninčić and the Italian representative, Signor Summonte,[1] which led to the conclusion, before the end of the month, not only of an Italo-Jugoslav Agreement regarding Fiume,[2] but of a general ' Pact of Cordial Friendship and Collaboration ' between the two parties.

This instrument,[3] which was signed simultaneously with the Fiume Agreement on the 27th January in Rome, went considerably farther than the Italo-Jugoslav Agreement of the 12th November, 1920 (the scope of which had been limited to preventing the restoration of the Hapsburg Dynasty in Austria or Hungary and to exchanging information in regard to hostile action taken against either party in either of those two countries). On the other hand, it did not constitute so close an agreement as the Franco-Czech Treaty of the 25th January, 1924, or, *a fortiori*, as the instruments on which the ' Little Entente ' was founded. Its nearest analogues were the Czecho-Polish Convention of the 6th November, 1921, and the Czecho-Austrian Convention of the 16th December, 1921.[4]

In the first article (corresponding to the preambles of the ' Little Entente ' Agreements and the Franco-Czech Treaty) the two parties undertook to give one another their mutual support and cordial collaboration for the maintenance of the Treaties of Trianon, St. Germain, and Neuilly.[5] In the second (as in the Czecho-Polish and Czecho-Austrian Agreements above mentioned) either party promised to maintain neutrality in the event of the other being attacked without provocation by a third party or parties. In the third (corresponding to the first and second of the Franco-Czech Treaty) they pledged themselves to come to an agreement as to the common measures to be taken for safeguarding their common interests in case of international complications, supposing that they were of one mind that such interests were or might be menaced. The pact was to hold for five years, with the option of denunciation or renewal one year before it was due to expire.

The unexpected conclusion by Jugoslavia of this pact with Italy

[1] See the *Corriere della Sera*, 12th and 13th January, 1924.
[2] See Section (iii) above.
[3] The text is reprinted in the Appendix to the present volume from the *League of Nations Treaty Series*, vol. xxiv.
[4] All the previous instruments are described in *Survey, 1920–3*, pp. 287–303.
[5] The Italo-Jugoslav Agreement of the 12th November, 1920, had only applied to the Trianon and St. Germain Treaties, and then only to certain of their provisions.

(with whom her relations had been strained ever since her birth six years before) at a moment when she was refusing to conclude a pact with France (with whom her relations had been consistently friendly) was on the face of it a rebuff for France and in a lesser degree for Czechoslovakia. Both Jugoslavia and Rumania—whose Foreign Minister, M. Duca, took a stronger line in the matter than M. Ninčić—seem to have been slightly piqued at the initiative taken by their ally, which might wear the appearance of an attempt to force their hands in the direction of accepting the hegemony of a Great Power, a point on which they were both sensitive. Indeed, the disclosure of the Italo-Jugoslav Agreement during the Belgrade Conference (when its terms, though agreed in general, had not yet been worked out in detail) seems to have been a counter-blast on M. Ninčić's part to M. Beneš's activities.[1] Accordingly, both the Czechoslovak and the French Governments took, for the moment, an almost apologetic line. On the 10th January, at Belgrade, in an interview [2] with the correspondent of the *Corriere della Sera*, M. Beneš was at pains to deny that the Franco-Czech Treaty was the first step in a great new European movement, or that he had come to Belgrade with the intention of acting as a mediator between the ' Little Entente ' and France ; and he showed equal caution in his presentation of the treaty to the Foreign Affairs Committee of the Czechoslovak Parliament on the 6th February.[3] On the 17th January the Quai d'Orsay thought it worth while publicly to contradict insinuations in the Italian Press to the effect that a *rapprochement* between Italy and Jugoslavia would upset the plans of French policy towards the ' Little Entente ', and that the French Government was trying to prevent this *rapprochement* from taking place.[4]

Although, however, both Czechoslovakia and France were momentarily thrown upon the defensive, their discomfiture was greater in appearance than in reality. Czechoslovakia retrieved her position by concluding a pact of her own with Italy in the course of the year,[5] while both Jugoslavia and Rumania rallied to France of their own accord.

[1] See *The Times*, 19th January, 1924, and the Italian semi-official communiqué of the 17th, there quoted, in which the premature ventilation of the terms of the Italo-Jugoslav Agreement was deprecated.

[2] Published on the 11th January, 1924.

[3] A French translation of this statement was published as a Czechoslovak White Paper (unnumbered).

[4] Text of the French official statement in *The Times*, 18th January, 1924.

[5] See below, p. 451.

' Our alliance with France ', wrote the Belgrade *Politika*[1] *à propos* of the Italo-Jugoslav Pact,

> is a natural one, even if it is unsigned. Our alliance with Italy, even though resting on a treaty, is not natural. If we had to choose between a French alliance and an Italian alliance, beyond doubt we should deliberately and unhesitatingly place ourselves on the side of France, as we should on the side of Russia. Why ? Because France and Russia in the moment of crisis would range themselves on our side as they have done in the past.

This deep-rooted belief in the eventual return of Russia to her previous role as the ally of France and the protector of the lesser Slavonic peoples—a belief which was prevalent not only in Jugoslavia but in Czechoslovakia—was in curious contrast to the calculation which led Rumania, a few months later, to turn again to France for protection against a Russian menace.[2]

The Russian Question and the reconstruction of Hungary were the two principal matters discussed at the Belgrade Conference of the 10th–12th January, 1924, in addition to the Franco-Czech and the Italo-Jugoslav Agreements. The reconstruction of Hungary has been dealt with elsewhere.[3] The attitude of the ' Little Entente ' towards Soviet Russia remains to be considered.

The Belgrade Conference was not attended by Poland, who, though not a member of the ' Little Entente ', had been represented at the Prague Conference of the 25th August, 1922.[4] On this occasion the disinclination from a *rapprochement* appears to have been as strong on the side of Poland as on that of Czechoslovakia and Jugoslavia—partly owing to the jealousy aroused in Polish minds by the knowledge that a Franco-Czech agreement was imminent, but also partly because it was expected that at Belgrade Rumania would repeat, with greater determination, her previous attempts to enlist the support of her allies in the event of trouble between herself and the U.S.S.R.[5] If this prospect deterred Poland, who had her own difficulties with Soviet Russia and was actually bound to Rumania, by the treaty of the 3rd March, 1921,[6] to make common cause with her in case either party were attacked without provocation by their eastern neighbour, it may be imagined, *a fortiori*, that

[1] Quoted in *The Manchester Guardian*, 15th January, 1924.
[2] See the present section below and I. C. (vii) above.
[3] See Section (iv) above.
[4] See *Survey, 1920–3*, p. 301.
[5] *The Times*, 3rd and 4th January ; the *Corriere della Sera*, 9th January, 1924.
[6] See *Survey, 1920–3*, pp. 271–2.

the Rumanian overtures in regard to Russia (if such were actually made) were no less unwelcome than they had always been to the other members of the 'Little Entente'. On the opening day of the conference some speculation was created by the publication in the Belgrade *Samouprava* (M. Pašić's organ) of an article by the Jugoslav Minister in Paris, M. Spalaiković, in which the idea of recognizing the U.S.S.R. *de jure* was violently attacked,[1] and, in the event, both Jugoslavia and Czechoslovakia were among the ten European states which were still withholding *de jure* recognition at the end of the year.[2] On the other hand, in the official communiqué on the results of the Belgrade Conference which was published on the 13th January,[3] it was announced that, in the matter of relations with Soviet Russia, the 'Little Entente' would 'leave liberty of action to each of its members in order to allow them to take account of the circumstances of the moment and of their own special situations'. Thus Czechoslovakia and Jugoslavia emerged from the Belgrade Conference[4] with their hands as free as ever, so far as Russian policy was concerned.

After the breakdown of the Vienna Conference on the 2nd April,[5] the Rumanian Government (notwithstanding the rebuff which it had given to France in January) appears to have been encouraged by the friendliness of the gesture made by France in proceeding with the ratification of the Bessarabian Treaty[6] to open negotiations with her for a defensive treaty to maintain the existing Russo-Rumanian frontier. In these circumstances France seems to have made her consent to promising military support conditional upon securing the co-operation of Jugoslavia, and on this rock the negotiations foundered. On the 22nd April the semi-official *Beogradski Novisti* published an article in which it not only denounced in the strongest terms the idea of promising assistance to Rumania against Soviet Russia on account of the Bessarabian Question, but also deprecated any revival of the idea of concluding a fresh treaty with France.[7] On the 23rd the Jugoslav Cabinet was reported to have considered and decisively rejected a Franco-Rumanian proposal for a tripartite military agreement directed against the U.S.S.R.[8]

[1] *The Times*, 11th January, 1924. [2] See I. C. (vi), p. 261 above.
[3] Text in the *Corriere della Sera*, 14th January, 1924.
[4] For some account of the general results of the Belgrade Conference see *The Times*, 14th January; *Le Temps*, 16th January, 1924.
[5] See I. C. (vii), p. 265 above. [6] See p. 265 above.
[7] The *Corriere della Sera*, 23rd April, 1924.
[8] *The Times*, 26th April and 10th May, 1924.

As for Czechoslovakia, M. Beneš declared, during his visit to Rome in May 1924, that, in the event of a war over Bessarabia between the U.S.S.R. and Rumania, Czechoslovakia's assistance to her ally would be confined to guaranteeing the neutrality of Hungary.[1]

The question of a Franco-Jugoslav Treaty seems to have been discussed further between MM. Beneš and Ninčić at Bled, in Jugoslavia, where, on the 13th–15th May, M. Beneš broke his journey on the way from Prague to Rome. At this meeting it was apparently suggested that Jugoslavia should give her adhesion to the Franco-Czech Treaty and that Czechoslovakia should give hers to the Italo-Jugoslav Treaty. The latter suggestion broke down, however (apparently because at this stage M. Beneš was unwilling to guarantee the Treaty of Neuilly as well as the Treaties of Trianon and St. Germain); M. Beneš proceeded to Rome in order to negotiate an Italo-Czech agreement on independent lines; and the proposal that Jugoslavia should adhere to the Franco-Czech Treaty lapsed in consequence.[2]

Before starting for Rome M. Beneš had made it known that the possibility of an Italo-Czech Treaty had been broached already at the Belgrade Conference in connexion with the Italo-Jugoslav Pact, and had announced that the general object of his journey 'was to show that Czechoslovakia had just as much reason to be friends with Italy as with France, or with Great Britain, for that matter', and 'to do away with the idea that Czechoslovakia was binding herself to pursue any interests but her own'.[3] During his visit to Rome, which lasted from the 15th to the 28th May and resulted in the initialing of a text for an Italo-Czech Pact, M. Beneš recurred to this theme that the multiplication of separate agreements between individual members of the 'Little Entente' and various Great Powers was a guarantee 'that no Great Power would be able to boast of possessing a hegemony or an absolute dominion over the "Little Entente"'.[4] He also insisted that the Franco-Czech Treaty of the 25th January, 1924, and the Italo-Czech Treaty which was in process of negotiation applied to different fields—the former being dominated by the German problem, while the latter, like the Italo-Jugoslav Pact of the 27th January, would be concerned with the maintenance of the other European Peace Treaties.[5] In content,

[1] *Ibid.*, 19th May, 1924.
[2] For the meeting at Bled see *The Times*, 10th, 15th, and 17th May, 1924.
[3] See *ibid.*, 10th May, 1924. [4] The *Corriere della Sera*, 18th May, 1924.
[5] *Ibid.*, 17th May, 1924. M. Beneš made the further point that the new Italo-Czech Pact stood to the Italo-Jugoslav Pact of the 27th January, 1924,

however, the Italo-Czech Pact [1] was analogous to the Franco-Czech Treaty as well as to the pact between Italy and Jugoslavia.[2]

In the preamble (as in that of the Franco-Czech Treaty and as in the first article of the Italo-Jugoslav Pact) the intention of the signatories was stated to be ' to ensure respect for the international political and juridical order established by the Peace Treaties '. In the first article (corresponding to the first and second of the Franco-Czech Treaty and to the third of the Italo-Jugoslav Pact) the parties pledged themselves to come to an agreement as to the measures suitable for safeguarding their common interests, supposing that they were of one mind that such interests were or might be menaced. In the second (corresponding to the first of the Italo-Jugoslav Pact) they undertook to give one another their mutual support and collaboration for the maintenance of the Treaties of St. Germain, Trianon, and Neuilly.[3] The pact was to hold for five years, with the option of denunciation or renewal one year before it was due to expire.

The text of this instrument was agreed before M. Beneš left Rome on the 28th May, but it was actually signed on the 5th July and was registered with the League of Nations on the 15th.

The three members of the ' Little Entente ' held two further conferences in the year 1924—one at Prague on the 11th–12th July, and another at Ljubljana (Laibach) on the 27th–29th August.

On both these occasions [4] (the first of which immediately preceded, while the second immediately followed, the London Reparation Conference of the 16th July–16th August) [5] one of the principal subjects of discussion was the Reparation Problem, in which Jugoslavia and Rumania were interested as creditor states and all three parties, but especially Czechoslovakia, as debtors on account of ' costs of liberation ' and the transfer of Austrian and Hungarian state property. In this matter, as well as in regard to the forthcoming Fifth Session of the League of Nations Assembly, a common

as the Italo-Czech exchange of notes of the 8th February, 1921, had stood to the Italo-Jugoslav Agreement of the 12th November, 1920 (the *Corriere della Sera*, 16th May, 1924).

[1] The text is reprinted in the Appendix to the present volume from the *League of Nations Treaty Series*, Vol. xxvi.

[2] For further observations by M. Beneš see *The Times*, 19th May, 1924.

[3] Thus the scope of the Italo-Czech Treaty was eventually extended to the Neuilly Treaty, whether or not it was true that M. Beneš had raised objections to such extension at his meeting with M. Ninčić at Bled on the 13th–15th May.

[4] See *The Times*, 4th, 11th, and 14th July, 1924, for the Prague Conference, and *Le Temps*, 25th August, 1924, for the agenda of the Ljubljana Conference.

[5] See II. A. (vi) above.

policy seems to have been worked out by the three Foreign Ministers. On the other hand, no progress appears to have been made either at Prague or at Ljubljana towards a common policy in the crucial matter of relations with Soviet Russia; and, even before the Prague Conference met, it was announced in Prague, Belgrade, and Bucarest that the question of guarantees for the Russo-Rumanian frontier in Bessarabia would not be included in the agenda.[1]

Apart from the general question of Reparation, there were special financial questions at issue between Italy and Czechoslovakia [2] and between Italy and Rumania.

As the heir to the wealthiest provinces of the former Hapsburg Monarchy, Czechoslovakia had been burdened, by the terms of the peace settlement, with proportionately heavy financial obligations on account both of 'costs of liberation' and of the valuation of the Austrian and Hungarian state property which she had taken over,[3] and she was also in debt to the Allies (to the amount of about £30,000,000) for the equipment and transport of Czechoslovak troops during and immediately after the War. Her obligations under the former head were estimated by Dr. Beneš in February 1924 at a figure approaching £200,000,000; payments were due to begin on the 1st January, 1926; and 25 per cent. of the payments on account of transferred state property had been assigned in advance, by an inter-Allied agreement, to Italy. Accordingly, as soon as the proposal was brought forward for granting a partial Reparation moratorium to Hungary in order to secure priority for the service of an international reconstruction loan, Czechoslovakia took the lead in the 'Little Entente' group in refusing consent unless these three 'Successor States' were granted treatment at least as favourable as that which it was proposed to grant to Hungary; and, in the negotiations which led up to the signature of the two Hungarian Reconstruction Protocols on the 14th March, she

[1] *The Times*, 11th July. See also *Le Temps*, 14th July, and the *Deutsche Allgemeine Zeitung*, 15th July, 1924, for a statement regarding the Russian Question which was made after the close of the Prague Conference by M. Beneš.

[2] For the financial issue between Italy and Czechoslovakia see *The Times*, 18th March and 15th and 19th May, 1924.

[3] See *H.P.C.*, Vol. v, pp. 14–15. Under the 'Agreement between the Allied and Associated Powers with regard to the Cost of Liberation of the Territories of the Former Austro-Hungarian Monarchy', signed at Saint-Germain-en-Laye on the 10th September, 1919, Poland, Rumania, Jugoslavia, and Czechoslovakia undertook to contribute towards the cost of liberation sums not exceeding in the aggregate 1,500,000,000 gold francs, and of this total Czechoslovakia was to be liable for a sum not exceeding 750,000,000 francs.

secured the substance of what she demanded.[1] These demands for a reduction of Czechoslovakia's obligations were not well received in Italy,[2] and the Italian Government appears to have had a special agreement with Czechoslovakia on the subject which was additional to the provisions of the general European treaties and was therefore not affected by modifications made in those treaties by general consent.[3] One of the principal objects of M. Beneš's visit of the 15th–28th May to Rome, during which the Italo-Czech Pact was drafted, was to come to an arrangement with the Italian Government on the financial question, and some understanding seems to have been reached, though the terms of it were not made public at the time.[4]

The financial controversy between Italy and Rumania arose over the claims of private Italian holders of Rumanian treasury bonds who had failed to obtain reimbursement from the Rumanian Government after the bonds had become due. In March 1924 the Italian Government addressed a sharp note on the subject to Bucarest, which caused the King and Queen of Rumania to postpone a contemplated visit to Rome. It is not impossible that this postponement, rather than the prompter satisfaction of the bondholders' claims, was the real object with which the note was sent ; for Italy, who had just concluded with Soviet Russia a settlement from which she hoped to derive commercial advantage,[5] might have been embarrassed by the presence of the Rumanian sovereigns in her capital during the Russo-Rumanian Conference at Vienna.[6] Meanwhile, in the course of March, a Rumanian delegation arrived in Rome to deal with the question of the bonds,[7] and a settlement was reported in July [8]—though not before a rumour had been started in the French Press that an Italian squadron was on its way to the Black Sea in order to exert pressure on the Rumanian Government by blockading Constanza.[9]

These were the main political developments relating to the 'Little Entente' during the year 1924 ; but this year was also marked by the conclusion of a number of technical conventions between the different states concerned which were a surer indication than any political agreements that international relations in South-

[1] See Section (iii) above.
[2] See the *Corriere della Sera*, 19th January, 1924.
[3] *The Times*, 15th May, 1924.
[4] *Ibid.*, 19th May, 1924.
[5] I. C. (iii) above.
[6] I. C. (vii) above.
[7] The *Corriere della Sera*, 20th March, 1924.
[8] *Le Temps*, 18th July, 1924.
[9] For the Italian Government's *démenti* see the *Corriere della Sera*, 4th April, and *Le Temps*, 8th April, 1924.

Eastern Europe were returning to a normal condition. The technical conventions concluded between Jugoslavia and Italy and between Hungary and her neighbours have been dealt with elsewhere.[1] In this place it remains to deal briefly with the others.

Between Italy and Czechoslovakia, on the 1st March, ratifications were exchanged of provisional commercial, navigation, juridical, and financial conventions, and of an agreement concerning the Port of Trieste which had been signed on the 23rd March, 1921; and on the same date there were signed a supplementary commercial agreement, a consular convention, and a convention concerning double taxation.[2] Ratifications of the supplementary commercial agreement were exchanged on the 27th October.[3] A railway agreement was signed on the 15th November.[4]

Between Italy and Austria, two agreements were signed on the 13th December providing for the settlement of certain outstanding questions regarding compensation and debts. Austria also signed an agreement with Czechoslovakia regarding insurance questions on the 29th March, and a commercial agreement with the same country on the 27th November.[5] The most important, however, of the technical conventions concluded by Austria in 1924 were those with Rumania.

At the beginning of February the Austrian Chancellor, Dr. Seipel, and the Foreign Minister, Herr Grünberger, paid a personal visit to Bucarest. They were received by the Rumanian Government with marked cordiality; a commercial treaty, on a 'most favoured nation' treatment basis, was signed on the 5th February (ratifications being exchanged on the 26th); two conventions regarding extradition and judicial assistance were initialed; the whole range of technical questions arising out of the peace settlement was discussed; and, before the two Austrian statesmen left Bucarest, it had been agreed that a Mixed Commission should be appointed to deal with these.[6] This Mixed Commission duly set to work in Vienna on the 27th March,[7] with the result that eight conventions were signed on the 29th July.[8] In October the Rumanian Prime Minister, M. Bratianu, paid a return visit to Vienna,[9] and on this

[1] In Sections (iii) and (iv) above, respectively.
[2] The *Corriere della Sera*, 2nd and 5th March; *Le Temps*, 3rd March, 1924.
[3] *American Journal of International Law*, January 1925.
[4] The *Corriere della Sera*, 16th November, 1924.
[5] *Le Temps*, 29th November, 1924.
[6] *The Times*, 5th February; *Le Temps*, 7th February, 1924.
[7] *Le Temps*, 15th April, 1924.
[8] *Ibid.*, 31st July, 1924.
[9] *Ibid.*, 9th October, 1924.

occasion a number of difficulties which had still remained outstanding were adjusted.[1]

As between Rumania and Jugoslavia, the protocol regulating definitively the frontier in the Banat of Temesvar was ratified during the last days of 1923 by the Rumanian Parliament (the votes cast in the Chamber being 127 to 18),[2] and, in accordance with the terms of the instrument, certain villages were evacuated by the Rumanians and taken over by the Jugoslavs early in April. Before they left, however, the Rumanian troops appear to have carried off all cattle and other movable property on which they could lay hands.[3] On the 9th April a note protesting against this conduct was addressed by the Jugoslav Government to Bucarest,[4] and the incident was not without effect upon the general course of international affairs in South-Eastern Europe, since it alienated Jugoslav opinion from Rumania at a moment when the French and Rumanian Governments were seeking to persuade Jugoslavia to join in a guarantee of the Russo-Rumanian frontier in Bessarabia.[5] Yet, in spite of this unfortunate (though not uncharacteristic) incident, the definitive settlement of the controversy over the Jugoslav-Rumanian frontier in the Banat—a controversy which had troubled the relations between the two countries since the first days of the Peace Conference of Paris[6]—was, on a longer view, a not unimportant landmark in the gradual pacification of South-Eastern Europe. One favourable circumstance was that the settlement of the actual frontier line in the protocol signed on the 24th November, 1923, had been followed on the 24th February, 1924, by the signature of a convention regarding immovable property on either side of the line in the frontier zone.[7] This convention came into force on the 5th July.[8]

[1] *Le Temps*, 25th October, 1924.
[2] Ratifications were exchanged on the 6th June, 1924.
[3] The *Corriere della Sera*, 8th April, 1924.
[4] *Le Temps*, 11th April, 1924.
[5] See above, p. 450.
[6] The Jugoslav-Rumanian controversy over the Banat was actually the first business with which the Peace Conference dealt officially in 1919.
[7] *Bulletin de l'Institut Intermédiare International*, April 1924.
[8] *Le Temps*, 7th July, 1924.

(vii) The Polish-Czechoslovak Boundary Dispute over the Javoržina District (1920–4).

The Javoržina District was a fraction of the Spisz (Zips) County in the Carpathians, the disposal of which had been referred to the Conference of Ambassadors, as an alternative to the taking of a plebiscite, by the Supreme Council, in agreement with the interested Governments, on the 11th July, 1920, during the Spa Conference. On the 28th July, 1920, a declaration embodying the Conference of Ambassadors' decision was signed by the representatives of Czechoslovakia, Poland, and the Principal Allied Powers.[1] In this award the Ambassadors assigned the northern tip of the Spisz County—which protruded as a salient from Czechoslovakia into Poland—to the latter country and the rest of the territory to Czechoslovakia, including Javoržina. The assignment of Javoržina to Czechoslovakia was confirmed in the Sèvres Treaty of the 10th August, 1920, under which the Principal Allied Powers transferred to the 'Successor States' certain territories formerly belonging to Austria-Hungary, and again by the Conference of Ambassadors on the 6th December of the same year.

Poland, however, refused to accept the decision in certain respects; direct negotiations on these points between the two Governments led to no agreement; and eventually, on the 18th August, 1923, the Conference of Ambassadors referred the question to the Council of the League of Nations, with an intimation that they would not object if the Council saw fit to consult the Permanent Court of International Justice on the legal issue. Accordingly, on the 28th September, 1923, the Council, on the report of Señor Quinones de León (Spain) and in agreement with the two parties, consulted the Court as to whether the delimitation of the frontier between Czechoslovakia and Poland in this sector were still open, and, if so, to what extent. The Court heard the case in an extraordinary session on the 13th November, 1923, and found on the 6th December that the decision taken on the 28th July, 1920, by the Conference of Ambassadors was definitive, but that the specification of the discretionary powers therein conferred upon the Delimitation Commission likewise held good. On the 17th December, 1923, the Council, with this opinion of the Court before it, decided that the Delimitation Commission had exceeded its powers, and suggested that the Conference of Ambassadors should invite the Commission

[1] See *H. P. C.*, vol. iv, pp. 362–3 and 366.

to make fresh proposals in accordance with the opinion of the Court and the findings of the Council. On the 12th March, 1924, the Council accepted the frontier line traced in the Delimitation Commission's report, but added that it would be desirable, in the interests of the communications and economic relations of the neighbouring communes on either side of the border, that protocols, in terms as favourable as possible to the reciprocal interests of the populations concerned, should be annexed to, and regarded as forming an integral part of, the final decision fixing the frontier line. This proposal was accepted by the representatives of the two interested states, and on the 26th March the Ambassadors' Conference decided to request the Polish-Czechoslovak Delimitation Commission to have the suggested protocols prepared. On the 26th April the Delimitation Commission met at Cracow, and on the 6th May a protocol [1] was drawn up in that city providing for the adjustment of the economic questions relative to the frontier and for the definition of the frontier itself by a Polish-Czechoslovak Delimitation Commission. On the 5th September this protocol was approved by the Conference of Ambassadors, and therewith the controversy was closed.

In itself the Javoržina Question was a trivial matter, but its settlement was an event of some international importance, since it opened the way to that *rapprochement* between Czechoslovakia and Poland which culminated in the agreement of 1925.

(viii) The Italian Loan to Poland (1924).[2]

On the 10th March, 1924, a Polish-Italian agreement was signed under which a group of Italian banks, headed by the Banca Commerciale, was to lend the Polish Government 100,000,000 lire (gold) at 7 per cent., repayable in twenty years, the stock being issued at 89. This loan was guaranteed by the Italian Government and was secured on the Polish Government Tobacco Monopoly.

(ix) Relations between the Baltic States along the Russian Border (1924).

These states were drawn together by the common fact that either the whole or the greater part of their respective territories had been carved out of the former Russian Empire, and by a common fear,

[1] See the *Central European Observer*, 4th October, 1924.
[2] The *Deutsche Allgemeine Zeitung*, 13th March, quoting from the Italian Press.

springing out of this fact, that sooner or later the U.S.S.R. might attempt to reclaim the heritage of the Czardom. Even in regard to Russia, however, they did not see eye to eye. Finland was inclined to hold aloof and to turn (since the settlement of the controversy over the Aaland Islands) [1] in the direction of Scandinavia. Esthonia and Latvia (especially the former) were anxious to placate Soviet Russia if possible, since of all the Baltic States they were the weakest and the most in Russia's way. Lithuania, who was cut off from contact with Soviet Russia by the incorporation in Poland of the Vilna Corridor,[2] was swayed by her hostility towards Poland and was therefore not unfavourably inclined towards Poland's eastern neighbour.

In the preceding volume the mutual relations of this group of states have been traced [3] down to the close of the year 1923. At the beginning of 1924 no less than three Baltic Conferences were in prospect: one between Poland, Latvia, Esthonia, and Finland to be held at Warsaw on Poland's initiative; a second, limited to Esthonia, Latvia, and Lithuania, to be held at Kovno on the rival initiative of the last-named country; and a third, to include not only Lithuania but Soviet Russia, to be held at Riga.[4] The last of these conferences, which was to discuss a local pact of non-aggression, fell through.[5] The other two were postponed but eventually took place.

The Warsaw Conference ('Seventh Baltic Conference') was held on the 16th–18th February.[6] The principal agenda were the removal of economic barriers, joint action at the next session of the League of Nations Assembly, and the conclusion of an arbitration treaty between the four states represented. The results were inconclusive. The project of an arbitration treaty was blocked by the announcement of the Finnish representative that he was not empowered to discuss the matter; the Polish representative would not commit himself to co-operation at Geneva; while the Esthonian representative secured the withdrawal of the Russian Question from the agenda.

The Kovno Conference, which opened on the 19th May, was more successful, since the Latvians sympathized strongly with the Lithuanians—a kindred nation of the same calibre—in their unequal

[1] See *Survey, 1920–3*, pp. 234–8.
[2] See *op. cit.*, pp. 250–6.
[3] pp. 238–45.
[4] See the *Deutsche Allgemeine Zeitung*, 26th January, 1924.
[5] *Le Temps*, 18th April, 1924.
[6] See *The Times* and the *Deutsche Allgemeine Zeitung*, 19th February, 1924.

contest with Poland ; and though the Latvian Government could not afford, in face of the Russian menace, to enter into a political alliance with Lithuania so long as the feud between Lithuania and Poland remained uncomposed,[1] it was all the more eager to strengthen the economic links between the two countries. Although at this conference political questions appeared on the agenda, the main business was to examine whether the *Zollverein* which had already been formed between Latvia and Esthonia [2] could be extended to Lithuania. The discussion resulted in a comprehensive final act, providing for the appointment of expert commissions to work out a practical scheme for tariff and customs unification—after which a further conference was to be held in order to give the scheme effect. It was also agreed that the three states should pursue a concerted foreign policy, especially in the Assembly of the League of Nations.[3]

In August a railway conference was held between Esthonia, Latvia, and Soviet Russia, which resulted in a decision to unify the existing separate railway conventions on the basis of the International Convention of Berne ; and effect was given to this by the signature of nine technical conventions.[4] In this case, as in many others, a technical achievement was also an event of political importance, since the facilitation of Soviet Russia's access by railway to the Baltic ports was more likely than anything else to ease the tension between the U.S.S.R. and the two small countries which cut her off from direct access to the sea.

Meanwhile, a conference which the four Governments participating in the Warsaw Conference of the previous 16th–18th February had proposed to hold at Helsingfors on the eve of the Fifth Session of the League of Nations Assembly, was twice postponed [5] and did not meet until the 16th–17th January, 1925. On this occasion a number of important agreements were concluded, relating not only to passport formalities and communication facilities but to arbitration and conciliation.[6]

On the 24th November–4th December a conference to consider measures for the suppression of liquor smuggling was held, likewise

[1] See a statement by the Latvian ex-Prime and Foreign Minister, M. Meierowicz, quoted in *Le Temps*, 4th February, 1924.
[2] See *Survey, 1920–3*, p. 244.
[3] The *Deutsche Allgemeine Zeitung*, 29th May, 1924.
[4] See *Le Temps*, 26th August, 1924.
[5] The *Deutsche Allgemeine Zeitung*, 13th August and 11th December, 1924.
[6] See *The Times*, 19th January, 1925. The Arbitration and Conciliation Agreement will be dealt with in the *Survey for 1925*.

at Helsingfors, and was attended by all the states possessing Baltic sea-boards—that is, Poland, Lithuania, Latvia, Esthonia, Finland, Sweden, Denmark, and Germany—as well as by Norway.[1] The final protocol was signed on the 4th December.[2]

(x) Relations between the Scandinavian States (1924).

The principal new departure in Scandinavian relations during the year 1924 was the entrance of Finland into the Scandinavian group. In January the Swedish Government addressed an invitation to Finland, as well as to Norway and Denmark, to attend a conference at Stockholm on the 28th February.[3] Finland accepted, and the conference duly met. The purpose of the conference was to negotiate inter-Scandinavian conciliation agreements in pursuance of the resolution passed on the 22nd September, 1922, by the League of Nations Assembly during its Third Session, and the delegates unanimously adopted a draft for setting up permanent conciliation councils, to which the states concerned were to be bound to submit any disputes which it had proved impossible to settle by diplomatic means and which they were not pledged, by previous treaties, to submit to the Permanent Court of International Justice or to an arbitral tribunal.[4] On the 27th June six bilateral conventions based on this draft were signed between the states represented at the conference.

Good relations between the three West Scandinavian countries were improved by the signature on the 27th March of a complementary protocol regarding the accession of Norway to the Dano-Swedish Monetary Conventions of the 27th May and the 16th October, 1875,[5] and on the 26th July of a postal convention.[6]

In the same year there was settled a dispute which had arisen between Denmark and Norway out of a claim, put forward by the former country, to the sovereignty over the whole of Greenland, including not only the west coast, with its Danish settlements, but the east coast, which was not under permanent human occupation. Norway protested against this claim as likely to prejudice her hunting and fishing rights along this coast, and the first negotiations

[1] *The Times*, 25th November, 1924.
[2] *The Times* and *Le Temps*, 6th December, 1924.
[3] The *Deutsche Allgemeine Zeitung*, 23rd January, 1924.
[4] *Le Temps*, 7th March, 1924.
[5] *Bulletin de l'Institut Intermédiaire International*, July 1924.
[6] *Ibid.*, January 1925.

on the subject between the two Governments were abortive. On the 14th–28th January, 1924, however, fresh negotiations took place at Oslo (Christiania) which resulted in an *ad referendum* agreement,[1] designed to protect Norwegian rights while leaving the question of sovereignty undecided.[2] This compromise encountered opposition in both countries, especially in Norway, but eventually the Norwegian Parliament adopted the agreement by 127 votes to 8[3] and the Danish by 85 to 45,[4] and on the 9th July a treaty was signed, which came into force, for twenty years, on the following day.

In March 1924 the Norwegian Government introduced into Parliament four bills,[5] one for the ratification of the Spitzbergen Convention which had been signed in Paris on the 9th February, 1920,[6] and the others for applying general and special Norwegian legislation to this Arctic territory (which, like the east coast of Greenland, was not under permanent human occupation). The Norwegian Parliament ratified the convention unanimously on the 21st July.[7]

In November 1924 the Soviet Government sent a circular notification to foreign Governments regarding the rights of the U.S.S.R. over Arctic Islands lying to the north of Siberia,[8] in which it recalled a similar notification which had been made by the Imperial Russian Government in 1916. This *démarche* was due, no doubt, to the controversy over Wrangell Island.[9]

[1] *Le Temps*, 1st February, 1924.
[2] *The Times*, 22nd March, 1924.
[3] *Ibid.*, 29th March, 1924.
[4] *Le Temps*, 13th June, 1924.
[5] *Ibid.*, 6th March, 1924.
[6] The text is printed in the British White Paper. *Cmd.* 2092 of 1924.
[7] *The Times*, 22nd July, 1924.
[8] *Le Temps*, 8th November, 1924.
[9] This controversy will be dealt with in the *Survey for 1925*.

PART III

TROPICAL AFRICA

(i) The Rectification of Frontier in Jubaland between the British Kenya Colony and Italian Somaliland (1919–25).

In the agreement between France, Russia, Great Britain, and Italy which was signed in London on the 26th April, 1915,[1] and in virtue of which Italy entered the War on the side of the other signatories, the thirteenth article ran as follows :

> In the event of France and Great Britain increasing their colonial territories in Africa at the expense of Germany, those two Powers agree in principle that Italy may claim some equitable compensation, particularly as regards the settlement in her favour of the questions relative to the frontiers of the Italian colonies of Eritrea, Somaliland and Libya and the neighbouring colonies belonging to France and Great Britain.

During the Peace Conference of Paris, when it had become evident that the greater part of the former German colonies in Africa were to be assigned as mandates to France and Great Britain, negotiations were started between these two Powers and Italy for a rectification of frontiers between French North-West Africa and the Italian colony of Libya,[2] between Libya and the then British Protectorate of Egypt, and between the Italian colony of Somaliland and the British colony of Kenya. The result of the Franco-Italian negotiations has been described in the preceding volume.[3] The question of the Italo-Egyptian frontier passed out of the hands of the British Government into those of the Egyptian Government after the British Declaration of the 28th February, 1922.[4] There remained the question of rectifying the Anglo-Italian frontier in the basin of the River Juba—a question which was the most important of the

[1] For the text see the British White Paper, *Cmd.* 671 of 1920, or the reprint in *H. P. C.*, vol. v, pp. 384–93.

[2] In Italian 'Libia'.

[3] *Survey, 1920–3*, pp. 360–1.

[4] See *H. P. C.*, vol. vi, p. 203. The history of Anglo-Egyptian relations will be taken up from this point in the *Survey for 1925*, and that of the Italo-Egyptian frontier in a future volume.

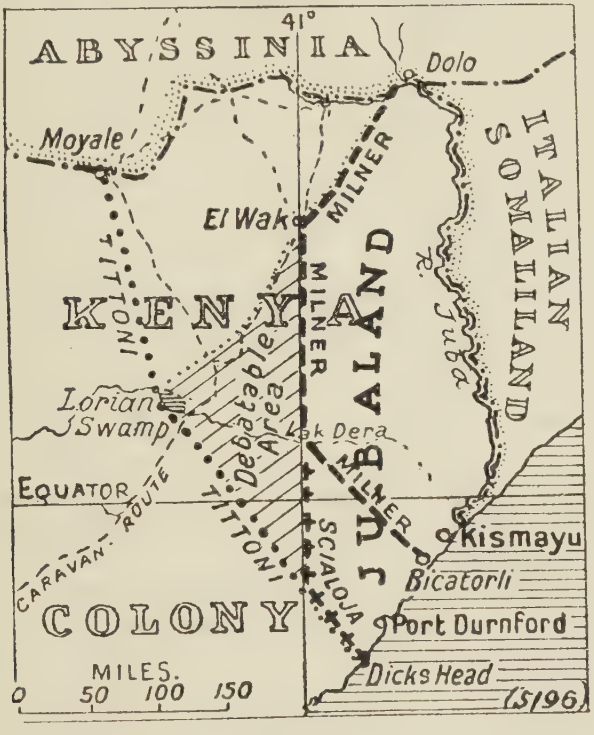
three, since the territory at stake was less undesirable than the Sahara and the Libyan Desert.

The negotiations in regard to Jubaland were opened during the Peace Conference of Paris by Lord Milner and Signor Tittoni. Lord Milner at once agreed to cede to Italy the British portion of the Juba valley (the River Juba itself at that time constituting the Anglo-Italian frontier) together with the Port of Kismayu close to the river's mouth ; and this offer included almost everything of substantial value which Italy could expect to obtain, since, apart from the immediate neighbourhood of the river, which was suitable for cotton growing, the country was nothing but desert and steppe providing precarious pasturage for nomadic Somali tribes. In September 1919 Lord Milner suggested a definite line starting from the Anglo-Abyssinian frontier on the River Dawa a little above its confluence with the Juba and striking the coast a little to the south-west of Kismayu, after following for a certain distance, without anywhere passing to the west of, the 41st meridian. Signor Tittoni, on the other hand, proposed a line starting from the Anglo-Abyssinian frontier at Moyale, much farther west, and striking the coast at Dick's Head, after intersecting the Lorian Swamp—a line which would have transferred to Italy almost twice as much Somali pasture-land as the Milner Line. After this, the negotiations on the Italian side passed into the hands of Signor Scialoja, and in April 1920 he agreed with Lord Milner upon a line which followed the original Milner Line in nowhere passing to the west of the 41st meridian, but which coincided with the Tittoni Line in striking the coast at Dick's Head—thus assigning an additional strip of littoral, including Port Durnford, to Italy. The British Government held at the time that, in consenting to this additional cession, they were entering into an ' enlarged transaction ', and were not merely executing the undertaking given in the London Agreement of 1915, Article 13. They therefore ' attached the condition that the cession could only become effective as part of the general settlement of all the issues raised at the Peace Conference ', and ' this condition ' was ' accepted by the Italian Government at the time '.[1]

Lord Milner's reservation can only be regarded as reasonable and prudent, considering the extent of the Italian demands in the

[1] The words between the quotation marks are taken from a statement made in the British House of Commons on the 3rd March, 1924, by the then Prime Minister, Mr. Ramsay MacDonald. See also Mr. MacDonald's statement in the House of Commons on the 25th February, 1924, in which he mentioned that Lord Milner's reservation had been made in writing.

particular case and the difficulties encountered by the other Principal Allied and Associated Powers at the Peace Conference in dealing with Italy over more important questions. The inevitable result was, however, that a local settlement was continually postponed. At first, so it was alleged on the Italian side,[1] the transfer of Jubaland was made conditional on the recognition by Italy of the British Protectorate over Egypt. Meanwhile, the Italian Government put



Jubaland.

forward an additional demand—not, this time, for the whole of the territory between the Milner-Scialoja and the Tittoni Lines, but for a triangle projecting westward into Kenya Colony, with its apex in the Lorian Swamp and its base along that part of the Milner-Scialoja Line which coincided with the 41st meridian ; and thereafter the British Government took up the position that the transfer must be linked with an equitable settlement of the question of the Dodecanese.[2] The British attitude regarding the Dodecanese,

[1] See the *Corriere della Sera*, 5th March, 1924.
[2] See the note on the Dodecanese Question at the end of this section.

together with the Italian demand for additional territory, prevented any further progress towards a settlement of the Jubaland frontier until the year 1924, though abortive discussions appear to have taken place in May 1923.[1]

In the first days of January 1924, a few weeks before Mr. Baldwin's Government in Great Britain was succeeded by that of Mr. MacDonald, negotiations were reopened in London between the Secretary of State for Foreign Affairs, Lord Curzon, and the Italian Ambassador, the Marquess della Torretta ;[2] but no results had been reached before the Labour Government took office. It seems to have been hoped in Italy that Mr. MacDonald and his colleagues would show themselves more accommodating than their predecessors, but on the 20th February, 1924, the new Under-Secretary of State for Foreign Affairs, Mr. Ponsonby, stated in answer to a question in the House of Commons that the negotiations had not yet reached a conclusion because more extensive territorial claims in Jubaland had been advanced by the Italian Government to which His Majesty's Government did not see their way to accede, and that any settlement would, of course, have to include an equitable arrangement respecting the connected question of the ultimate status of the Dodecanese. This statement elicited such vigorous protests, official as well as unofficial, on the Italian side,[3] that an explanatory statement was immediately made ' by a high official authority ' to the London correspondent of the *Corriere della Sera* and was published in Milan on the 23rd February. Mr. Ponsonby's answer was described as ' little more than a definition of what the British policy had been when Lord Curzon was at the head of the Foreign Office ', and it was hinted that the new Government had not yet studied the question or settled its policy. On the 25th February this was frankly admitted in the House of Commons by Mr. MacDonald, in a statement in which he also referred to Lord Milner's reservation and the position regarding the Dodecanese which Great Britain had taken up hitherto.

In March Mr. MacDonald, after studying the history of the question, made proposals to the Italian Government for a basis on which negotiations might be resumed,[4] apparently along the following lines :[5] if the Italian territorial demands were confined to the

[1] The *Corriere della Sera*, 11th January, 1924.
[2] *The Manchester Guardian*, 10th January, 1924.
[3] *The Times*, 22nd and 23rd February, 1924.
[4] See Mr. MacDonald's statement in the House of Commons on the 3rd March, 1924.
[5] The *Corriere della Sera*, 14th March, 1924.

Milner-Scialoja Line, the British Government would regard a territorial cession of this extent as a fulfilment of its obligations under the London Agreement of the 26th April, 1915, and would waive Lord Milner's reservation. If, on the other hand, the Italian Government still demanded the additional triangle terminating in the Lorian Swamp, then the Milner reservation would stand and the British Government would be unwilling to settle the question of Jubaland apart from that of the Dodecanese. The Italian Government appears to have accepted this basis and to have chosen the former of the two alternatives (which involved a substantial concession on the British side as compared with the position taken up by Lord Milner in April 1920). At any rate, on the 23rd May, the British Foreign Office issued a statement [1] that, as a result of direct negotiation between the Prime Minister and Signor Mussolini, it had been decided to conclude an agreement in regard to Jubaland on the lines laid down by Lord Milner and Senator Scialoja. It was added that Italian experts were being sent to London at once to settle the terms with British experts. The Italian delegation arrived before the end of the month ; on the 10th June it was announced [2] that the text of a treaty had been initialled ; and on the 15th July the instrument was duly signed in London by Mr. MacDonald and the Marquess della Torretta.

Under this treaty [3] ' His Britannic Majesty, in his own name and on his own behalf, and by virtue of his protectorate over Zanzibar in the name and on behalf of His Highness the Sultan of Zanzibar, so far as the latter may be concerned ', transferred to the King of Italy the sovereignty over the territory lying between the existing Anglo-Italian boundary and the Milner-Scialoja Line, the *tracée* of which was described in detail (Art. 1). The Italian Government agreed to the cancellation of the Treaty of Commerce between Italy and Zanzibar of the 23rd May, 1885 (Art. 3) ; and undertook both to indemnify the Sultan of Zanzibar for any loss of net revenue arising out of the present transfer, and to pay him, ' as an indemnity which shall in nowise represent a tribute implying any survival of sovereignty,' the annual sum of £1,000 [4]—the Italian Government being entitled at any time to liquidate these two financial obligations by the payment of a lump sum of £25,000 (Art. 4). If at any time

[1] Published in *The Times*, 24th May, 1924.
[2] *Ibid.*, 10th June, 1924.
[3] Text in the British White Paper, *Cmd.* 2194 of 1924.
[4] Representing the proportionate share of the annuity which had previously been paid by the British Government to the Government of Zanzibar.

the Italian Government desired to abandon all or part of the transferred territory, the British Government was to have the first refusal of it ' upon such terms as may be just '—any differences between the two Governments as to the terms being subject to arbitration ' in accordance with such procedure as the League of Nations may prescribe ' (Art. 5).

These were the political terms of the treaty ; but even when the Milner-Scialoja Line had been accepted by the two Governments as the basis of settlement and the interdependence of the Jubaland and Dodecanese Questions had been waived, the experts had still been confronted with a technical question which had caused difficulties throughout the course of the previous negotiations. It has been mentioned that the arid eastern half of Kenya Colony provided pasturage for a number of nomadic Somali tribes ; and while the British Government desired so to draw the new frontier as to avoid breaking up tribes or cutting them off from their water-holes, it was also anxious that, when once the new line had been fixed, it should not continue to be crossed by the tribes on either side in their seasonal migrations. Such crossings, it was feared, would lead to tribal disputes, and these would develop into vexatious controversies between the two Governments. The British Government had therefore demanded that tribes domiciled in the territory transferred to Italy should thereafter be restrained by the Italian Government from crossing to the British side of the new boundary-line, while the Italian Government had been unwilling to pledge itself to the arduous task of exercising this control.[1] In the treaty of the 15th July, 1924, these difficulties were approached by the setting up (Art. 12) of a Mixed Anglo-Italian Commission to settle on the spot the manner in which the terms of the treaty were to be carried out, and this Commission was given discretion over the execution of those clauses (Arts. 6 and 9) in which solutions for the two difficulties were laid down. Article 6 provided that, although in general the native inhabitants of the ceded territory were automatically to acquire Italian nationality, the right of retaining their British nationality on condition of emigrating permanently to the British side of the new line should be conferred upon such a number of Somalis who were separated from their families by the new frontier as, in the judgement of the Mixed Commission, could be

[1] See *The Times*, 7th January, 1924 (quoting the Rome correspondent of the *Corriere della Sera*) ; the *Corriere*, 11th January ; and *The Times*, 25th February.

supported [1] by the wells and pasturages in the additional triangle, terminating in the Lorian Swamp, to which Italy had now abandoned her claim. Under Article 9 the two Governments undertook that they would respectively endeavour to prevent any migration of Somalis or other natives across the new frontier. In one sector, however, the Mixed Commission was given discretion to permit tribes normally domiciled on the Italian side to cross the frontier into British territory seasonally in search of pasture. This permission, if accorded by the Mixed Commission, was to hold for a period of not less than five years and to be reconsidered at the end of that period.

The Bill providing for the execution of the Anglo-Italian Treaty of the 15th July, 1924, passed its third reading in the House of Commons on the 19th February, 1925 ; ratifications were exchanged on the 1st May ; and the formal transfer of the territory by the British to the Italian authorities took place at Kismayu on the 29th June.[2]

It may be noted that on the 29th May, 1924 (that is, five days after the publication of the statement by the British Foreign Office that an agreement in principle on the cession of Jubaland had been reached between Mr. MacDonald and Signor Mussolini), it was moved by Lord Delamere in the Legislative Council of Kenya Colony that the colony was entitled to territorial compensation for the loss of Jubaland and that the Kilimanjaro district of the British mandated territory of Tanganyika should be transferred to Kenya.[3] The motion was supported by the Arab members of the Council, who resented the curtailment of the Sultanate of Zanzibar, but it was withdrawn at the instance of the Governor, Sir Robert Coryndon.[4]

[1] ' Having regard for the present and future reasonable requirements of the tribes or sections of tribes already there.'

[2] *The Times*, 30th June, 1925.

[3] The cession of Jubaland to Italy did not really prejudice the interests of the White settlers in the Kenya highlands, since the greater part of the ceded territory was only habitable by native pastoral tribes, while even the narrow strip of potential cotton-land along the bank of the river was not suitable for permanent occupation by a White population. The British subjects whose interests were prejudiced were not the White settlers in the highlands but the Somali nomads on the spot. On the other hand, the compensation claimed by Lord Delamere for a theoretical loss would have been of great value to the White community, since it would have added to the colony a highland area already tenanted by White settlers and capable of supporting more. Lord Delamere stated that the Kilimanjaro settlers desired the transfer—a statement which, if correct, bore witness to the efficacy with which native interests in Tanganyika Territory were protected, under the Mandate, by the local British administration.

[4] See *The Times*, 30th May, 1924.

The annexation of mandated territory would, of course, have been a breach of trust which the British Government had neither the right nor the inclination to commit.

Note on the Question of the Dodecanese

The Dodecanese was a group of twelve islands, with a Greek population, adjoining the south-western coast of Anatolia, which had been under Ottoman sovereignty since A. D. 1522, but had been occupied by Italy during the Italo-Turkish War of 1911–12. In the Italo-Turkish peace treaty signed at Ouchy on the 18th October, 1912, it had been provided that the Italian occupation of the Dodecanese should continue as a pledge for the fulfilment of certain obligations undertaken by Turkey, particularly the military evacuation of the former Tripoli Vilayet (transformed by the Treaty of Ouchy into the Italian Colony of Libya). This had prevented Greece from occupying the Dodecanese during the Balkan War of 1912–13, when she occupied the other Greek Islands under Ottoman sovereignty in the Aegean with the result that these other islands were assigned to her *de jure* on the 13th February, 1914, by a decision of the London Conference of Ambassadors. Meanwhile Italy remained in occupation of the Dodecanese until Turkey entered the War of 1914 on the side of the Central Powers and Italy herself entered it on the side of the Entente. In the London Agreement of the 26th April, 1915, upon Article 13 of which the Italian claim to Jubaland was founded, it was also laid down in Article 8 that ' Italy shall receive entire sovereignty over the Dodecanese Islands which she is at present occupying '. This pledge was honoured by Great Britain and France in Article 122 of the abortive peace treaty with Turkey which was signed at Sèvres on the 10th August, 1920, and in Article 15 of the definitive treaty signed at Lausanne on the 24th July, 1923, by which Turkey was again compelled to transfer her sovereignty over the Dodecanese to Italy. During the Peace Conference of Paris, however, MM. Venizelos and Tittoni had arrived at an agreement by which (in return for Greek concessions to Italian desiderata in Anatolia) Italy was to cede to Greece all the lesser islands of the group forthwith and also Rhodes (the largest of the islands) within fifteen years of the date when Great Britain ceded Cyprus to Greece, if that event were to occur. On the 10th August, 1920, a further Italo-Greek instrument modifying this agreement was signed at Sèvres simultaneously with the general (abortive) peace treaty with Turkey and the tripartite treaty between Great Britain, France and Italy recognizing French and Italian zones of influence on the Anatolian mainland. The Italo-Greek agreement was still unratified, however, when the two other instruments of the same date were voided by the Turkish victory over the Greeks in Anatolia in the summer of 1922, which made it inevitable that the Principal Allied Powers, as well as Greece, should revise their terms to Turkey. On the 8th October, 1922, the Italian Government accordingly denounced the Italo-Greek agreement regarding the Dodecanese, on the ground that the three instruments signed on the 10th August, 1920, were interrelated and that the lapse of two of them invalidated the third. Greece protested against this on the ground that the

tripartite treaty, by the lapse of which Italy was damnified, had nothing to do with Greece, who had not been a party to it. On the 14th October, 1922, the British Government appears likewise to have protested [1] to the Italian Government at this denunciation having been made without previous consultation with the other Principal Allied Powers. The British position was that the question of the Dodecanese concerned the Allies as a whole and not Italy and Greece exclusively, and that this contention had been admitted by Italy herself.[2] It was from this time onwards that the British Government insisted on treating the question of Jubaland as specifically interrelated with that of the Dodecanese.

(ii) The Defining of the Boundary between French Equatorial Africa and the Anglo-Egyptian Sudan (1919–24).[3]

In order to put an end to the controversy over their respective spheres of influence, which had culminated in the dangerous Fashoda Affair of 1898, the French and British Governments signed in Paris, on the 14th June, 1898, a convention which was afterwards completed by a declaration signed in London on the 21st March, 1899. In a general way, these instruments assigned the Nile Basin to the British Sphere and the Congo and Chad Basins [4] to the French Sphere ; but for a considerable distance the boundary between the two spheres was equated with the existing political frontier between the native states of Darfur (in the British Sphere) and Wadai (in the French Sphere). This frontier was itself indeterminate, and in 1899 neither principality was under the effective control of the Power whose claim was recognized by the other party to the two diplomatic instruments above-mentioned. Wadai, however, was occupied by the French in 1910, while Darfur was incorporated *de facto* as well as *de jure* in the Anglo-Egyptian Sudan in 1916 ; and accordingly a supplementary convention was signed in Paris on the 8th September, 1919, in which the boundary was laid down with greater exactitude. In the declaration of 1899, paragraph 4, provision had been made for the eventual delimitation of the boundary on the spot ; and, after the ratifications of the convention of 1919 had been exchanged, an Anglo-French Delimitation Commission spent a year (October 1921–September 1922) in surveying the frontier zone,

[1] See *H. P. C.*, vol. vi, p. 37.

[2] See a statement made by Mr. Ramsay MacDonald in the House of Commons on the 25th February, 1924.

[3] See *The Times*, 11th January ; *Le Temps*, 29th February, 1924.

[4] That is, the portion of the Congo Basin on the right bank of the Congo, Ubangui, and Mbomo Rivers, the remainder of the Congo Basin being included in the Congo Free State, which afterwards became a Belgian colony.

which was over 1,200 miles long. The data thus obtained were taken as the basis for negotiations which were conducted in London and which resulted in the signature of a protocol on the 10th January, 1924. In this document, the agreed line was described in detail and was also plotted out on two annexed maps.[1] The protocol was ratified on the 21st January by an exchange of notes between the two Governments.[2]

In settling the boundary the negotiators had as far as possible avoided breaking up tribal territories or separating tribes from their water-holes. Under the terms of the protocol (general clauses) six months' notice was to be given to the natives on either side of the frontier, during which period they were to be free to choose the territory in which they wished permanently to reside.

[1] On the 1 : 1,000,000 scale, the second map being accompanied by three inset maps on a larger scale.

[2] The notes, the protocol, and the maps are printed in the British White Paper, *Cmd.* 2221 of 1924.

APPENDICES

I. Sessions of the Council and Assembly of the League of Nations, 1924.

Session.	*Date.*	*Place.*	*Principal Matters dealt with.*
Council: 28th	10–15 March	Geneva	Memel convention accepted; Czecho-slovak-Polish frontier in Javoržina district settled; Hungarian Reconstruction Protocols signed; Austrian Reconstruction Scheme; Replies of Commission of Jurists to question regarding interpretation of Covenant (Corfù crisis) approved; German settlers in Poland.
,, 29th	11–17 June	Geneva	German settlers in Poland (agreement regarding compensation); Austrian and Hungarian Reconstruction Schemes; delimitation of Serbo-Albanian frontier in St. Naoum district; control of ex-enemy armaments.
,, 30th	29 Aug.–3 Oct.	Geneva	[*Meeting held concurrently with Fifth Assembly.*] 'Iraq frontier; control of ex-enemy armaments; protection of minorities (Moslems of Albanian origin in Greece; Greek and Bulgarian Protocols); Austrian Reconstruction Scheme; Greek refugees (amendments to Protocol and Statute of Settlement Commission); Graeco-Albanian and Serbo-Albanian frontiers; Protocol for Pacific Settlement of International Disputes.
Assembly: 5th	1 Sept.–2 Oct.	Geneva	Dominican Republic admitted to membership; Protocol for Pacific Settlement of International Disputes (unanimously recommended to Governments for acceptance, 2 Oct.); private manufacture of arms.
Council: 31st (Extra-ordinary)	27–31 Oct.	Brussels	'Iraq frontier (provisional boundary fixed; Commission appointed); exchange of Greek and Turkish populations.
Council: 32nd	8–13 Dec.	Rome	Control of arms traffic; private manufacture of arms; control of ex-enemy armaments; minorities (question regarding Greeks in Constantinople referred to Permanent Court).

II. Registration with the League of Nations of the Treaty of the 6th December, 1921, between Great Britain and Ireland : Correspondence with the Secretary-General of the League.[1]

(1) Letter dated the 27th November, 1924, from the British Foreign Office to the Secretary-General of the League of Nations

Sir,

I am directed by Mr. Secretary Chamberlain to acknowledge the receipt of your communication of the 11th July last, to the effect that at the request of the representative of the Irish Free State at Geneva ' the Treaty concluded between Great Britain and Ireland on the 6th December 1921 ' was registered on the 11th July with the Secretariat of the League of Nations.

2. Since the Covenant of the League of Nations came into force, His Majesty's Government have consistently taken the view that neither it, nor any conventions concluded under the auspices of the League, are intended to govern the relations *inter se* of the various parts of the British Commonwealth. His Majesty's Government consider, therefore, that the terms of Article 18 of the Covenant are not applicable to the Articles of Agreement of 6th December, 1921.

I am, Sir, Your obedient Servant,

(Signed) Alexander Cadogan.

(2) Letter dated the 18th December, 1924, from the Government of the Irish Free State to the Secretary-General of the League of Nations

Sir,

I am directed by the Minister for External Affairs to acknowledge the receipt of your communication of the 8th instant, enclosing copy of the letter addressed to you by the British Government concerning the Registration of the Treaty concluded between Great Britain and Ireland on the 6th December, 1921.

The Government of the Irish Free State cannot see that any useful purpose would be served by the initiation of a controversy as to the intentions of any individual signatory to the Covenant. The obligations contained in Article 18 are, in their opinion, imposed in the most specific terms on every member of the League and they are unable to accept the contention that the clear and unequivocal language of that Article is susceptible of any interpretation compatible with the limitation which the British Government now seek to read into it.

They accordingly dissent from the view expressed by the British Government that the terms of Article 18 are not applicable to the Treaty of 6th December, 1921.

I have the honour to be,
Sir, Your obedient Servant,
(Signed) J. P. Walshe,
Secretary.

[1] Reprinted from the *League of Nations Treaty Series*, vol. xxvii.

III. Security and Disarmament.

(1) Article 36 [' Optional Clause '] of the Statute of the Permanent Court of International Justice

The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in treaties and conventions in force.

The Members of the League of Nations and the States mentioned in the Annex of the Covenant may, either when signing or ratifying the Protocol to which the present Statute is adjoined, or at a later moment, declare that they recognize as compulsory *ipso facto* and without special agreement, in relation to any other Member or State accepting the same obligation, the jurisdiction of the Court in all or any of the cases of legal disputes concerning :

(*a*) The interpretation of a treaty ;
(*b*) Any question of international law ;
(*c*) The existence of any fact which, if established, would constitute a breach of an international obligation ;
(*d*) The nature or extent of the reparation to be made for the breach of an international obligation.

The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain Members or States, or for a certain time.

In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

(2) Resolution XIV of the Third Assembly of the League of Nations

(*a*) The Assembly, having considered the report of the Temporary Mixed Commission on the question of a general Treaty of Mutual Guarantee, being of opinion that this report can in no way affect the complete validity of all the Treaties of Peace or other agreements which are known to exist between States ; and considering that this report contains valuable suggestions as to the methods by which a Treaty of Mutual Guarantee could be made effective, is of the opinion that :

1. No scheme for the reduction of armaments, within the meaning of Article 8 of the Covenant, can be fully successful unless it is general.

2. In the present state of the world many Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their country.

3. Such a guarantee can be found in a defensive agreement, which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a pre-arranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where, for historical, geographical, or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan.

4. As a general reduction of armaments is the object of the three preceding statements, and the Treaty of Mutual Guarantee the means of achieving that object, previous consent to this reduction is therefore the first condition for the Treaty.

This reduction could be carried out either by means of a general Treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

In the former case, the Treaty will carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.

The Council of the League, after having taken the advice of the Temporary Mixed Commission, which will examine how each of these two systems could be carried out, should further formulate and submit to the Governments for their consideration and sovereign decision the plan of the machinery, both political and military, necessary to bring them clearly into effect.

(*b*) The Assembly requests the Council to submit to the various Governments the above proposals for their observations, and requests the Temporary Mixed Commission to continue its investigations, and, in order to give precision to the above statements, to prepare a draft Treaty embodying the principles contained therein.

IV. The Restriction of Immigration into the United States.[1]

(1) Extract from American Immigration Act of 1917

Section 3. That the following classes of aliens shall be excluded from admission into the United States: All idiots, imbeciles, feeble-minded persons, epileptics, insane persons; persons who have had one or more attacks of insanity at any time previously; persons of constitutional psychopathic inferiority; persons with chronic alcoholism; paupers; professional beggars: vagrants; persons afflicted with tuberculosis in any form or with a loathsome or dangerous contagious disease; persons not comprehended within any of the foregoing excluded classes who are found to be and are certified by the examining surgeon as being mentally or physically defective, such physical defect being of a nature which may affect the ability of such alien to earn a living; persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude; polygamists, or persons who practice polygamy or believe in or advocate the practice of polygamy; anarchists, or persons who believe in or advocate the overthrow by force or violence of the Government of the United States, or of all forms of law, or who disbelieve in or are opposed to organized government, or who advocate the assassination of public officials, or who advocate or teach the unlawful destruction of property; persons who are members of or affiliated with any organization entertaining and teaching disbelief in or opposition to organized government, or who advocate or teach the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the Government of the United States or of any other organized government, because of his or their official character, or who advocate or teach the unlawful destruction of property; prostitutes, or persons coming into the United States for the purpose of prostitution or for any other immoral purpose; persons who directly or indirectly procure or attempt to procure or import prostitutes or persons for the purpose of prostitution or for any other immoral purpose; persons who are supported by or receive in whole or in part the proceeds of prostitution; persons hereinafter called contract laborers, who have been induced, assisted, encouraged, or solicited to migrate to this country by offers or promises of employment, whether such offers or promises are true or false, or in consequence of agreements, oral, written or printed, express or implied, to perform labor in this country of any kind, skilled or unskilled; persons who have come in consequence of advertisements for laborers printed, published, or distributed in a foreign country; persons likely to become a public charge; persons who have been deported under any provisions of this act, and who may again seek admission within one year from the date of such deportation, unless prior to their re-embarkation at a foreign port or their attempt to be admitted from foreign contiguous territory the

[1] Reprinted from *Immigration Laws and Rules of February 1, 1924* (Washington, D.C., 1924, Government Printing Office).

Secretary of Labor shall have consented to their reapplying for admission ; persons whose tickets or passage is paid for with the money of another, or who are assisted by others to come, unless it is affirmatively and satisfactorily shown that such persons do not belong to one of the foregoing excluded classes ; persons whose ticket or passage is paid for by any corporation, association, society, municipality, or foreign Government, either directly or indirectly ; stowaways, except that any such stowaway, if otherwise admissible, may be admitted in the discretion of the Secretary of Labor ; all children under sixteen years of age, unaccompanied by or not coming to one or both of their parents, except that any such children may, in the discretion of the Secretary of Labor, be admitted if in his opinion they are not likely to become a public charge and are otherwise eligible ; unless otherwise provided for by existing treaties, persons who are natives of islands not possessed by the United States adjacent to the continent of Asia, situate south of the twentieth parallel latitude north, west of the one hundred and sixtieth meridian of longitude east from Greenwich, and north of the tenth parallel of latitude south, or who are natives of any country, province or dependency situate on the continent of Asia west of the one hundred and tenth meridian of longitude east from Greenwich and east of the fiftieth meridian of longitude east from Greenwich and south of the fiftieth parallel of latitude north, except that portion of said territory situate between the fiftieth and the sixty-fourth meridians of longitude east from Greenwich and the twenty-fourth and thirty-eighth parallels of latitude north, and no alien now in any way excluded from, or prevented from entering, the United States shall be admitted to the United States. The provision next foregoing, however, shall not apply to persons of the following status or occupations : Government officers, ministers or religious teachers, missionaries, lawyers, physicians, chemists, civil engineers, teachers, students, authors, artists, merchants, and travellers for curiosity or pleasure, nor to their legal wives or their children under sixteen years of age who shall accompany them or who subsequently may apply for admission to the United States, but such persons or their legal wives or foreign-born children who fail to maintain in the United States a status or occupation placing them within the excepted classes shall be deemed to be in the United States contrary to law, and shall be subject to deportation as provided in section nineteen of this Act.

That after three months from the passage of this Act, in addition to the aliens who are by law now excluded from admission into the United States, the following persons shall also be excluded from admission thereto, to wit :

All aliens over sixteen years of age, physically capable of reading, who cannot read the English language, or some other language or dialect including Hebrew or Yiddish : *Provided*, That any admissible alien, or any alien heretofore or hereafter legally admitted, or any citizen of the United States, may bring in or send for his father or grandfather over fifty-five years of age, his wife, his mother, his grandmother, or his unmarried or widowed daughter, if otherwise admissible, whether such relative can read or not ; and such relative shall be permitted to enter. That for the purpose of ascertaining whether aliens can read the immigrant inspectors shall be furnished with slips of uniform size, prepared under the direction of the Secretary of Labor, each containing not less than thirty nor more than forty words in ordinary use, printed in plainly legible type in some one of the various languages or dialects of immigrants. Each alien may designate the particular language or dialect in which he desires the examination to be made, and shall be required to read the words printed on the slip in such language or dialect. That the following classes of persons shall be exempt from the operation of the illiteracy test, to wit : All aliens who shall prove to the satisfaction of the proper immigration officer or to the Secretary of Labor that they are seeking admission to the United States to avoid religious persecution in the country of their last permanent residence, whether such persecution be evidenced by overt acts or by laws or governmental regulations that discriminate against the alien or the race to which he belongs because of his religious faith ; all

aliens who have been lawfully admitted to the United States and who have resided therein continuously for five years and who return to the United States within six months from the date of their departure therefrom; all aliens in transit through the United States; all aliens who have been lawfully admitted to the United States and who later shall go in transit from one part of the United States to another through foreign contiguous territory: *Provided*, That nothing in this Act shall exclude, if otherwise admissible, persons convicted, or who admit the commission, or who teach or advocate the commission, of an offense purely political: *Provided further*, That the provisions of this Act, relating to the payments for tickets or passage by any corporation, association, society, municipality, or foreign Government shall not apply to the tickets or passage of aliens in immediate and continuous transit through the United States to foreign contiguous territory: *Provided further*, That skilled labor, if otherwise admissible, may be imported if labor of like kind unemployed can not be found in this country, and the question of the necessity of importing such skilled labor in any particular instance may be determined by the Secretary of Labor upon the application of any person interested, such application to be made before such importation, and such determination by the Secretary of Labor to be reached after a full hearing and an investigation into the facts of the case: *Provided further*, That the provisions of this law applicable to contract labor shall not be held to exclude professional actors, artists, lecturers, singers, nurses, ministers of any religious denomination, professors for colleges or seminaries, persons belonging to any recognised learned profession, or persons employed as domestic servants: *Provided further*, That whenever the President shall be satisfied that passports issued by any foreign Government to its citizens or subjects to go to any country other than the United States, or to any insular possession of the United States or to the Canal Zone, are being used for the purpose of enabling the holder to come to the continental territory of the United States to the detriment of labor conditions therein, the President shall refuse to permit such citizens or subjects of the country issuing such passports to enter the continental territory of the United States from such other country or from such insular possession or from the Canal Zone: *Provided further*, That aliens returning after a temporary absence to an unrelinquished United States domicile of seven consecutive years may be admitted in the discretion of the Secretary of Labor, and under such conditions as he may prescribe: *Provided further*, That nothing in the contract-labor or reading-test provisions of this Act shall be construed to prevent, hinder, or restrict any alien exhibitor, or holder of concession or privilege for any fair or exposition authorized by act of Congress, from bringing into the United States, under contract, such otherwise admissible alien mechanics, artisans, agents, or other employees, natives of his country as may be necessary for installing or conducting his exhibit or for preparing for installing or conducting any business authorized or permitted under any concession or privilege which may have been or may be granted by any such fair or exposition in connexion therewith, under such rules and regulations as the Commissioner General of Immigration with the approval of the Secretary of Labor, may prescribe both as to the admission and return of such persons: *Provided further*, That the Commissioner General of Immigration with the approval of the Secretary of Labor shall issue rules and prescribe conditions, including exaction of such bonds as may be necessary, to control and regulate the admission and return of otherwise inadmissible aliens applying for temporary admission: *Provided further*, That nothing in this Act shall be construed to apply to accredited officials of foreign Governments, nor to their suites, families, or guests.

(2) American Immigration Act of 1921 [1]

An Act to limit the immigration of aliens into the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act—

The term 'United States' means the United States, and any waters, territory, or other place subject to the jurisdiction thereof except the Canal Zone and the Philippine Islands; but if any alien leaves the Canal Zone or any insular possession of the United States and attempts to enter any other place under the jurisdiction of the United States nothing contained in this Act shall be construed as permitting him to enter under any other conditions than those applicable to all aliens.

The word 'alien' includes any person not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed nor citizens of the islands under the jurisdiction of the United States.

The term 'Immigration Act' means the Act of February 5, 1917, entitled 'An Act to regulate the immigration of aliens to, and the residence of aliens in, the United States'; and the term 'immigration laws' includes such Act and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens.

Sec. 2. (a) That the number of aliens of any nationality who may be admitted under the immigration laws to the United States in any fiscal year shall be limited to 3 per centum of the number of foreign-born persons of such nationality resident in the United States as determined by the United States census of 1910. This provision shall not apply to the following, and they shall not be counted in reckoning any of the percentage limits provided in this Act: (1) Government officials, their families, attendants, servants, and employees; (2) aliens in continuous transit through the United States; (3) aliens lawfully admitted to the United States who later go in transit from one part of the United States to another through foreign contiguous territory; (4) aliens visiting the United States as tourists or temporarily for business or pleasure; (5) aliens from countries immigration from which is regulated in accordance with treaties or agreements relating solely to immigration; (6) aliens from the so-called Asiatic barred zone, as described in section 3 of the Immigration Act; (7) aliens who have resided continuously for at least one year immediately preceding the time of their admission to the United States in the Dominion of Canada, Newfoundland, the Republic of Cuba, the Republic of Mexico, countries of Central or South America, or adjacent islands; or (8) aliens under the age of eighteen who are children of citizens of the United States.

(b) For the purposes of this Act nationality shall be determined by country of birth, treating as separate countries the colonies or dependencies for which separate enumeration was made in the United States census of 1910.

(c) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this Act, prepare a statement showing the number of persons of the various nationalities resident in the United States as determined by the United States census of 1910, which statement shall be the population basis for the purposes of this Act. In case of changes in political boundaries in foreign countries occurring subsequent to 1910 and resulting (1) in the creation of new countries, the Governments of which are recognized by the United States, or (2) in the transfer of territory from one country to another, such transfer being recognized by the United States, such officials, jointly, shall estimate the number of persons resident in the United States in 1910 who were born within the area included in such new countries or in such territory so transferred, and revise the population basis as to each country involved in such change of

[1] Public—No. 5—67th Congress. [H. R. 4075.]

political boundary. For the purpose of such revision and for the purposes of this Act generally aliens born in the area included in any such new country shall be considered as having been born in such country, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred.

(d) When the maximum number of aliens of any nationality who may be admitted in any fiscal year under this Act shall have been admitted all other aliens of such nationality, except as otherwise provided in this Act, who may apply for admission during the same fiscal year shall be excluded: *Provided*, That the number of aliens of any nationality who may be admitted in any month shall not exceed 20 per centum of the total number of aliens of such nationality who are admissible in that fiscal year: *Provided further*, That aliens returning from a temporary visit abroad, aliens who are professional actors, artists, lecturers, singers, nurses, ministers of any religious denomination, professors for colleges or seminaries, aliens belonging to any recognized learned profession, or aliens employed as domestic servants, may, if otherwise admissible, be admitted notwithstanding the maximum number of aliens of the same nationality admissible in the same month or fiscal year, as the case may be, shall have entered the United States; but aliens of the classes included in this proviso who enter the United States before such maximum number shall have entered shall (unless excluded by subdivision (a) from being counted) be counted in reckoning the percentage limits provided in this Act: *Provided further*, That in the enforcement of this Act preference shall be given so far as possible to the wives, parents, brothers, sisters, children under eighteen years of age, and fiancées, (1) of citizens of the United States, (2) of aliens now in the United States who have applied for citizenship in the manner provided by law, or (3) of persons eligible to United States citizenship who served in the military or naval forces of the United States at any time between April 6, 1917, and November 11, 1918, both dates inclusive, and have been separated from such forces under honorable conditions.

SEC. 3. That the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall, as soon as feasible after the enactment of this Act, and from time to time thereafter, prescribe rules and regulations necessary to carry the provisions of this Act into effect. He shall, as soon as feasible after the enactment of this Act, publish a statement showing the number of aliens of the various nationalities who may be admitted to the United States between the date this Act becomes effective and the end of the current fiscal year, and on June 30 thereafter he shall publish a statement showing the number of aliens of the various nationalities who may be admitted during the ensuing fiscal year. He shall also publish monthly statements during the time this Act remains in force showing the number of aliens of each nationality already admitted during the then current fiscal year and the number who may be admitted under the provisions of this Act during the remainder of such year, but when 75 per centum of the maximum number of any nationality admissible during the fiscal year shall have been admitted such statements shall be issued weekly thereafter. All statements shall be made available for general publication and shall be mailed to all transportation companies bringing aliens to the United States who shall request the same and shall file with the Department of Labor the address to which such statements shall be sent. The Secretary of Labor shall also submit such statements to the Secretary of State, who shall transmit the information contained therein to the proper diplomatic and consular officials of the United States, which officials shall make the same available to persons intending to emigrate to the United States and to others who may apply.

SEC. 4. That the provisions of this Act are in addition to and not in substitution for the provisions of the immigration laws.

SEC. 5. That this Act shall take effect and be enforced 15 days after its enactment (except sections 1 and 3 and subdivisions (b) and (c) of section 2, which shall take effect immediately upon the enactment of this Act), and

shall continue in force until June 30, 1922, and the number of aliens of any nationality who may be admitted during the remaining period of the current fiscal year, from the date when this Act becomes effective to June 30, shall be limited in proportion to the number admissible during the fiscal year 1922.

Approved, May 19, 1921.

(3) Extracts from the American Immigration Act of 1924 [1]

An Act to limit the immigration of aliens into the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the 'Immigration Act of 1924'.

[Section 2 (*Immigration Visas*) omitted]

Section 3 (*Definition of 'Immigrant'*). When used in this Act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a *bona fide* alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

Section 4 (*Non-quota Immigrants*). When used in this Act the term 'non-quota immigrant' means—

(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

(e) An immigrant who is a *bona fide* student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

Section 5 (*Quota Immigrants*). When used in this Act the term 'quota immigrant' means any immigrant who is not a non-quota immigrant. An alien who is not particularly specified in this Act as a non-quota immigrant or a non-immigrant shall not be admitted as a non-quota immigrant or

[1] Public—No. 139—68th Congress. [H. R. 7995.]

a non-immigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

Section 6 (*Preferences within Quotas*). (a) In the issuance of immigration visas to quota immigrants preference shall be given—

(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the wife, of a citizen of the United States who is 21 years of age or over; and

(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per centum of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

[Sections 7 (*Application for Immigration Visas*), 8 (*Non-quota Immigration Visas*), 9 (*Issuance of Immigration Visas to Relatives*), and 10 (*Permit to re-enter United States after Temporary Absence*) are omitted.]

Section 11 (*Numerical Limitations*). (a) The annual quota of any nationality shall be 2 per centum of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be, in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4), the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descendants of slave immigrants, or (4) the descendants of American aborigines.

(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall, jointly, report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Such proclamation

shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. After the making of a proclamation under this subdivision the quotas proclaimed therein shall continue with the same effect as if specifically stated herein, and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials, and proclaimed by the President, that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

(f) There shall be issued to quota immigrants of any nationality, (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per centum of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the Commissioner General, with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

(g) Nothing in this Act shall prevent the issuance (without increasing the total number of immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a non-quota immigrant.

Section 12 (*Nationality*). (a) For the purpose of this Act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890 ; except that (1) the nationality of a child under twenty-one years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under twenty-one years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa ; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this Act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890 and which was not included in the enumeration for the country to which such colony or

dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

(c) In cases of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the Governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory, the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determination, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States had not consented in a treaty to the administration of the territory by a mandatory power.

(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11, shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those years for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

Section 13 (*Exclusion from United States*). (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a non-quota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

(b) In such classes of cases and under such conditions as may be by regulations prescribed immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

(c) No alien ineligible to citizenship shall be admitted to the United States

unless such alien (1) is admissible as a non-quota immigrant under the provisions of subdivision (b), (d) or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable diligence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted ; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

Section 14 (*Deportation*). Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this Act to enter the United States, or to have remained therein for a longer time than permitted under this Act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the Immigration Act of 1917 : *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States any alien child who, when under sixteen years of age, was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

Section 15 (*Maintenance of Exempt Status*). The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5) or (6) of section 3, or declared to be a non-quota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

[Section 16 (*Penalty for Illegal Transportation*) omitted.]

Section 17 (*Entry from Foreign Contiguous Territory*). The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favour of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of

aliens brought thereto by them, to submit to and comply with all the requirements of this Act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that he was brought to such territory by a transportation company which had submitted to and complied with all the requirements of this Act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

[Sections 18 (*Unused Immigration Visas*), 19 and 20 (*Alien Seamen*), 21 (*Preparation of Documents*), and 22 (*Offenses in connexion with Documents*) are omitted.]

Section 23 (*Burden of Proof*). Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws, and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

[Section 24 (*Rules and Regulations*) omitted.]

Section 25 (*Act to be in addition to Immigration Laws*). The provisions of this Act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connexion with the provisions of this Act. An alien, although admissible under the provisions of this Act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this Act, and an alien, although admissible under the provisions of the immigration laws other than this Act, shall not be admitted to the United States if he is excluded by any provision of this Act.

[Sections 26 and 27 (*Steamship Fines under 1917 Act*) omitted.]

Section 28 (*General Definitions*). As used in this Act—

(a) The term ' United States ', when used in a geographical sense, means the States, the Territories of Alaska, and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands ; and the term ' continental United States ' means the States and the District of Columbia ;

(b) The term ' alien ' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States ;

(c) The term ' ineligible to citizenship ', when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Statutes, or under section 14 of the Act entitled ' An Act to execute certain treaty stipulations relating to Chinese ', approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the Act entitled ' An Act to authorize the President to increase temporarily the Military Establishment of the United States ', approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections ;

[Definitions (d) to (m) inclusive omitted.]

(n) The terms ' wife ' and ' husband ' do not include a wife or hnsband by reason of a proxy or picture marriage.

Section 29 (*Authorization of Appropriation*). The appropriation of such sums as may be necessary for the enforcement of this Act is hereby authorized.

Section 30 (*Act of May 19, 1921*). The Act entitled ' An Act to limit the immigration of aliens into the United States ', approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder and any alien who prior to July 1, 1924, may have entered the United States in violation of such Act or regulations made thereunder may be deported in the same manner as if such Act had not expired.

Section 31 (*Time of Taking Effect*). (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11 shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per centum of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

(b) The remainder of this Act shall take effect upon its enactment.

(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this Act, except section 23.

Section 32 (*Saving Clause in event of Unconstitutionality*). If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Approved, May 26, 1924.

(4) Statement issued to the Press by President Coolidge on the 26th May, 1924, regarding the Immigration Act of 1924 [1]

In signing this Bill, which in its main features I heartily approve, I regret the impossibility of severing from it the exclusive provision which, in the light of existing law, affects especially the Japanese. I gladly recognize that the enactment of this provision does not imply any change in our sentiment of admiration and cordial friendship for the Japanese people, a sentiment which has had and will continue to have abundant manifestation. The Bill rather expresses the determination of the Congress to exercise its prerogative in defining by legislation the control of immigration instead of leaving it to international arrangements. It should be noted that the Bill exempts from the exclusion provision government officials, those coming to this country as tourists or temporarily for business or pleasure, those in transit, seamen, those already resident here and returning from temporary absences, professors, ministers of religion, students, and those who enter solely to carry on trade in pursuance of existing treaty provisions. But we have had for many years an understanding with Japan by which the Japanese Government has voluntary undertaken to prevent the emigration of labourers to the United States, and in view of this historic relation and of the feeling which inspired it, it would have been much better in my judgement, and more effective in the actual control of immigration, if we had continued to invite the co-operation

[1] Reprinted from *International Conciliation*, No. 202, of September 1924 (' An Analysis of the American Immigration Act of 1924 ' by John B. Trevor).

which Japan was ready to give and had thus avoided creating any ground for misapprehension by an unnecessary statutory enactment. That course would not have derogated from the authority of the Congress to deal with the question in any exigency requiring its action. There is scarcely any ground for disagreement as to the result we want, but this method of securing it is unnecessary and deplorable at this time. If the exclusion provision stood alone I should disapprove it without hesitation, if sought in this way at this time. But this Bill is a comprehensive measure dealing with the whole subject of immigration and setting up the necessary administrative machinery. The present Quota Act, of 1921, will terminate on June 30th next. It is of great importance that a comprehensive measure should take its place, and that the arrangements for its administration should be provided at once in order to avoid hardship and confusion. I must therefore consider the Bill as a whole, and the imperative need of the country for legislation of this general character. For this reason the Bill is approved.

(5) President Coolidge's Quota Proclamation of the 30th June, 1924.[1]

Whereas it is provided in the act of Congress approved May 26, 1924, entitled 'An Act to limit the immigration of aliens into the United States, and for other purposes' that—

> The annual quota of any nationality shall be 2 per centum of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100. (Sec. 11 (a).)
>
> For the purposes of this Act nationality shall be determined by country of birth . . . (Sec. 12 (a).)
>
> The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this Act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. (Sec. 12 (b).)
>
> Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported. (Sec. 12 (e).)

And whereas satisfactory evidence has been presented to me that the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, pursuant to the authority conferred upon them in the act of Congress approved May 26, 1924, have made the statement and the quotas therein provided,

Now, therefore, I, Calvin Coolidge, President of the United States of America, acting under and by virtue of the power in me vested by the aforesaid act of Congress, do hereby proclaim and make known that on and after July 1, 1924, and throughout the fiscal year 1924–5, the quota of each nationality provided in said Act shall be as follows:

Country or area of birth.	*Quota 1924–5.*
*Afghanistan	*100
Albania	100
Andorra	100
Arabian peninsula (1, 2)	100
Armenia	124

[1] Reprinted from the *Annual Report of the Commissioner-General of Immigration*, 1924 (Washington: Government Printing Office).

Country or area of birth.	*Quota 1924–5.*
Australia, including Papua, Tasmania, and all islands appertaining to Australia (3, 4)	121
Austria	785
Belgium (5)	512
*Bhutan	*100
Bulgaria	100
Cameroon (proposed British mandate)	100
Cameroon (French mandate)	100
*China	*100
Czechoslovakia	3,073
Danzig, Free City of	228
Denmark (5, 6)	2,789
Egypt	100
Esthonia	124
Ethiopia (Abyssinia)	100
Finland	471
France (1, 5, 6)	3,954
Germany	51,227
Great Britain and Northern Ireland (1, 3, 5, 6)	34,007
Greece	100
Hungary	473
Iceland	100
*India (3)	*100
Iraq (Mesopotamia)	100
Irish Free State (3)	28,567
Italy, including Rhodes, Dodekanesia, and Castellorizzo (5)	3,845
*Japan	*100
Latvia	142
Liberia	100
Liechtenstein	100
Lithuania	344
Luxemburg	100
Monaco	100
Morocco (French and Spanish Zones and Tangier)	100
*Muscat (Oman)	*100
Nauru (proposed British mandate) (4)	100
*Nepal	*100
Netherlands (1, 5, 6)	1,648
New Zealand (including appertaining islands) (3, 4)	100
Norway (5)	6,453
*New Guinea, and other Pacific Islands under proposed Australian mandate (4)	*100
Palestine (with Trans-Jordan, proposed British mandate)	100
Persia (1)	100
Poland	5,982
Portugal (1, 5)	503
Ruanda and Urundi (Belgium mandate)	100
Rumania	603
Russia, European and Asiatic (1)	2,248
Samoa, Western (4) (proposed mandate of New Zealand)	100
San Marino	100
*Siam	*100
South Africa, Union of (3)	100
South-West Africa (proposed mandate of Union of South Africa)	100
Spain (5)	131
Sweden	9,561
Switzerland	2,081
Syria and the Lebanon (French mandate)	100

Country or area of birth.	Quota 1924–5.
Tanganyika (proposed British mandate)	100
Togoland (proposed British mandate)	100
Togoland (French mandate)	100
Turkey	100
*Yap and other Pacific islands (under Japanese mandate) (4)	*100
Yugoslavia	671

* For each of the countries indicated by an asterisk (*) is established a nominal quota according to the minimum fixed by law. These nominal quotas, as in the case of all quotas hereby established, are available only for persons born within the respective countries who are eligible to citizenship in the United States and admissible under the immigration laws of the United States.

1. (*a*) Persons born in the portions of Persia, Russia, or the Arabian peninsula situated within the barred zone, and who are admissible under the immigration laws of the United States as quota immigrants, will be charged to the quotas of these countries; and (*b*) persons born in the colonies, dependencies, or protectorates, or portions thereof, within the barred zone, of France, Great Britain, the Netherlands, or Portugal, who are admissible under the immigration laws of the United States as quota immigrants, will be charged to the quota of the country to which such colony or dependency belongs or by which it is administered as a protectorate.

2. The quota-area denominated 'Arabian peninsula' consists of all territory except Muscat and Aden, situated in the portion of that peninsula, and adjacent islands, to the southeast of Iraq, of Palestine with Trans-Jordan, and of Egypt.

3. Quota immigrants born in the British self-governing dominions or in the Empire of India will be charged to the appropriate quota rather than to that of Great Britain and Northern Ireland. There are no quota restrictions for Canada and Newfoundland.

4. As shown on Chart No. 1262a, Hydrographic Office, United States Navy Department.

5. Quota immigrants eligible to citizenship in the United States, born in a colony, dependency, or protectorate of any country to which a quota applies, will be charged to the quota of that country.

6. In contrast with the law of 1921, the immigration act of 1924 provides that persons born in the colonies or dependencies of European countries situated in Central America, South America, or the islands adjacent to the American continents (except Newfoundland and islands pertaining to Newfoundland, Labrador, and Canada), will be charged to the quota of the country to which such colony or dependency belongs.

General Note.—The immigration quotas assigned to the various countries and quota-areas should not be regarded as having any political significance whatever, or as involving recognition of new governments, or of new boundaries, or of transfers of territory except as the United States Government has already made such recognition in a formal and official manner.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington, this thirtieth day of June, in the year of our Lord one thousand nine hundred and twenty-four and of the independence of the United States of America the one hundred and forty eighth.

(Signed) CALVIN COOLIDGE.

By the President:

CHARLES E. HUGHES,

Secretary of State.

V. The Recognition of the U.S.S.R. by Great Britain.

(1) British Note, dated the 1st February, 1924, recognizing the Government of the U.S.S.R.[1]

I have the honour, by direction of my Government, to inform Your Excellency that they recognize the Union of Socialist Soviet Republics as the *de jure* rulers of those territories of the old Russian Empire which acknowledge their authority.

2. In order, however, to create the normal conditions of complete friendly relations and full commercial intercourse, it will be necessary to conclude definite practical agreements on a variety of matters: some of which have no direct connexion with the question of recognition; some of which, on the other hand, are intimately bound up with the fact of recognition.

3. In the latter category may be cited the question of existing treaties. His Majesty's Government are advised that the recognition of the Soviet Government of Russia will, according to the accepted principles of international law, automatically bring into force all the treaties concluded between the two countries previous to the Russian Revolution, except where these have been denounced or have otherwise juridically lapsed. It is obviously to the advantage of both countries that the position in regard to these treaties should be regularized simultaneously with recognition.

4. Technically unconnected with recognition, but clearly of the utmost importance, are the problems of the settlement of existing claims by the Government and nationals of one party against the other and the restoration of Russia's credit.

5. It is also manifest that genuinely friendly relations cannot be said to be completely established so long as either party has reason to suspect the other of carrying on propaganda against its interests and directed to the overthrow of its institutions.

6. In these circumstances His Majesty's Government invite the Russian Government to send over to London, at the earliest possible date, representatives armed with full powers to discuss these matters and to draw up the preliminary bases of a complete treaty to settle all questions outstanding between the two countries.

7. In the meantime I have been given the status of *Chargé d'Affaires* pending the appointment of an Ambassador; and I am to state that his Majesty's Government will be glad similarly to receive a Russian *Chargé d'Affaires* representing the Government of the Union at the Court of St. James.

(2) Reply, dated the 8th February, 1924, from the Government of the U.S.S.R.[2]

I have the honour, on behalf of the Government of the Union of Soviet Socialist Republics, to inform your Excellency that my Government has taken cognizance with satisfaction of the contents of the British note of February 1, 1924, in which the British Government recognizes *de jure* the Government of the Union of Soviet Socialist Republics, whose authority extends throughout all the territories of the former Russian Empire, with the exception of those which have been severed with the consent of the Soviet Government and in which independent States have been constituted.

2. Expressing the will of the Second Congress of the Union of Soviet Socialist Republics, which proclaimed that friendly co-operation between the

[1] Reprinted from *The Times*, 2nd February, 1924. The note was dispatched on the 1st February to Mr. Hodgson, the British representative in Moscow, for presentation.

[2] Reprinted from *The Times*, 9th February, 1924. The note was addressed to Mr. MacDonald and signed by M. Rakovski.

peoples of Great Britain and the Soviet Union remained one of the first cares of the Government of the Union, the latter declares its readiness to discuss and settle in a friendly spirit all questions arising directly or indirectly out of the fact of recognition.

3. Consequently my Government is prepared to arrive at an understanding with the British Government to replace those former treaties which have either been denounced or have lost their juridical force as a result of events during or after the war.

4. For this purpose the Government of the Soviet Union is prepared to send to London in the immediate future representatives with full powers, whose tasks will also include the settlement of outstanding claims and obligations of one party against the other, as well as the determination of means for the restoration of Russia's credit in Great Britain.

5. My Government, in full accord with the views of the Government of Great Britain, considers that mutual confidence and non-interference in internal affairs remain indispensable conditions for the strengthening and development of friendly relations between the two countries.

6. My Government has learned with pleasure of the appointment of Mr. Hodgson as British *Chargé d'Affaires* in Moscow, and has instructed me to inform your Excellency that, pending the appointment of an Ambassador, I have been given the status of *Chargé d'Affaires* of the Union of Soviet Socialist Republics at the Court of St. James.

I take this opportunity of conveying to your Excellency the assurances of my most distinguished consideration.

VI. The 'Zinovieff Letter'.

(1) Letter, dated the 24th October, 1924, from Mr. J. D. Gregory to M. Rakovski, regarding the 'Zinovieff Letter' [1]

Sir,

I have the honour to invite your attention to the enclosed copy of a letter which has been received by the Central Committee of the British Communist Party from the Presidium of the Executive Committee of the Communist International, over the signature of M. Zinovieff, its President, dated September 15. The letter contains instructions to British subjects to work for the violent overthrow of existing institutions in this country, and for the subversion of His Majesty's armed forces as a means to that end.

2. It is my duty to inform you that His Majesty's Government cannot allow this propaganda and must regard it as a direct interference from outside in British domestic affairs.

3. No one who understands the constitution and the relationships of the Communist International will doubt its intimate connexion and contact with the Soviet Government. No Government will ever tolerate an arrangement with a foreign Government by which the latter is in formal diplomatic relations of a correct kind with it, whilst at the same time a propagandist body organically connected with that foreign Government encourages and even orders subjects of the former to plot and plan revolutions for its overthrow. Such conduct is not only a grave departure from the rules of international comity, but a violation of specific and solemn undertakings repeatedly given to His Majesty's Government.

4. So recently as June 4 of last year the Soviet Government made the following solemn agreement with His Majesty's Government:

> The Soviet Government undertakes not to support with funds or in any other form persons or bodies or agencies or institutions whose aim is to

[1] Reprinted from *The Times*, 25th October, 1924.

spread discontent or to foment rebellion in any part of the British Empire . . . and to impress upon its officers and officials the full and continuous observance of these conditions.

5. Moreover, in the Treaty which His Majesty's Government recently concluded with your Government, still further provision was made for the faithful execution of an analogous undertaking which is essential to the existence of good and friendly relations between the two countries. His Majesty's Government means that these undertakings shall be carried out both in the letter and in the spirit, and it cannot accept the contention that whilst the Soviet Government undertakes obligations, a political body, as powerful as itself, is to be allowed to conduct a propaganda and support it with money, which is in direct violation of the official agreement. The Soviet Government either has or has not the power to make such agreements. If it has the power it is its duty to carry them out and see that the other parties are not deceived. If it has not this power and if responsibilities which belong to the State in other countries are in Russia in the keeping of private and irresponsible bodies, the Soviet Government ought not to make agreements which it knows it cannot carry out.

6. I should be obliged if you would be good enough to let me have the observations of your Government on this subject without delay.

I have the honour to be, with high consideration, Sir, your obedient servant (in the absence of the Secretary of State),

J. D. GREGORY.

(2) THE 'ZINOVIEFF LETTER'[1]

Very Secret.

To The Central Committee, British Communist Party.
Executive Committee,
Third
Communist International
Presidium.

Sept. 15, 1924, Moscow.

Dear Comrades,

The time is approaching for the Parliament of England to consider the Treaty concluded between the Governments of Great Britain and the S.S.S.R. for the purpose of ratification. The fierce campaign raised by the British *bourgeoisie* around the question shows that the majority of the same, together with reactionary circles, are against the Treaty for the purpose of breaking off an agreement consolidating the ties between the proletariats of the two countries leading to the restoration of normal relations between England and the S.S.S.R.

The proletariat of Great Britain, which pronounced its weighty word when danger threatened of a break-off of the past negotiations and compelled the Government of MacDonald to conclude the Treaty, must show the greatest possible energy in the further struggle for ratification and against the endeavours of British capitalists to compel Parliament to annul it.

It is indispensable to stir up the masses of the British proletariat, to bring into movement the army of unemployed proletarians, whose position can be improved only after a loan has been granted to the S.S.S.R. for the restoration of her economics and when business collaboration between the British and Russian proletariats has been put in order. It is imperative that the group in the Labour Party sympathizing with the Treaty should bring increased pressure to bear upon the Government and Parliamentary circles in favour of the ratification of the Treaty.

[1] Reprinted from *The Times, loc. cit.*

Keep close observation over the leaders of the Labour Party, because these may easily be found in the leading strings of the *bourgeoisie*. The foreign policy of the Labour Party as it is already represents an inferior copy of the policy of the Curzon Government. Organize a campaign of disclosure of the foreign policy of MacDonald.

The Ikki [Executive Committee, Third (Communist) International] will willingly place at your disposal the wide material in its possession regarding the activities of British Imperialism in the Middle and Far East. In the meanwhile, however, strain every nerve in the struggle for the ratification of the Treaty, in favour of a continuation of negotiations regarding the regulation of relations between the S.S.S.R. and England. A settlement of relations between the two countries will assist in the revolutionizing of the international and British proletariat not less than a successful rising in any of the working districts of England, as the establishment of close contact between the British and Russian proletariat, the exchange of delegations and workers, &c., will make it possible for us to extend and develop the propaganda of ideas of Leninism in England and the Colonies. Armed warfare must be preceded by a struggle against the inclinations to compromise which are embedded among the majority of British workmen, against the ideas of evolution and peaceful extermination of capitalism. Only then will it be possible to count upon complete success of an armed insurrection. In Ireland and the Colonies the case is different: there, there is a national question, and this represents too great a factor for success for us to waste time on a prolonged preparation of the working class.

But even in England, as in other countries where the workers are politically developed, events themselves may more rapidly revolutionize the working masses than propaganda. For instance, a strike movement, repressions by the Government, &c.

From your last report it is evident that agitation-propaganda work in the Army is weak, in the Navy a very little better. Your explanation that the quality of the members attracted justifies the quantity is right in principle; nevertheless, it would be desirable to have cells in all the units of the troops, particularly among those quartered in the large centres of the country, and also among factories working on munitions and at military store depôts. We request that the most particular attention be paid to these latter.

In the event of danger of war, with the aid of the latter and in contact with the transport workers, it is possible to paralyse all the military preparations of the *bourgeoisie* and make a start in turning an imperialist war into a class war. Now more than ever we should be on our guard. Attempts at intervention in China show that world imperialism is still full of vigour and is once more making endeavours to restore its shaken position and cause a new war, which as its final objective is to bring about the break-up of the Russian proletariat and the suppression of the budding world revolution, and further would lead to the enslavement of the colonial peoples. 'Danger of War,' 'The *Bourgeoisie* seeks War; Capital fresh Markets'—these are the slogans which you must familiarize the masses with, with which you must go to work into the mass of the proletariat. These slogans will open to you the doors of comprehension of the masses, will help you to capture them and march them under the banner of Communism.

The military section of the British Communist Party, so far as we are aware, further suffers from a lack of specialists, the future directors of the British Red Army.

It is time you thought of forming such a group, which, together with the leaders, might be, in the event of an outbreak of active strife, the brain of the military organization of the party.

Go attentively through the lists of the military 'cells', detailing from them the more energetic and capable men, turn attention to the more talented military specialists, who have, for one reason or another, left the Service and hold Socialist views. Attract them into the ranks of the Communist Party if they desire honestly to serve the proletariat, and desire in the future to

direct not the blind mechanical forces in the service of the *bourgeoisie*, but a national army.

Form a directing operative head of the military section.

Do not put this off to a future moment, which may be pregnant with events and catch you unprepared.

Desiring you all success, both in organization and in your struggle.

With Communist Greetings,

President of the Presidium of the IKKI,

ZINOVIEFF.

Member of the Presidium,

McMANUS.

Secretary KUUSINEN.

(3) REPLY, DATED THE 25TH OCTOBER, 1924, FROM M. RAKOVSKI TO THE FOREIGN OFFICE [1]

Sir,—I have received the Foreign Office Note of October 24, signed by Mr. J. D. Gregory, to which I have the honour to make the following reply:

1. As recently as last year, after the settlement of the diplomatic conflict which took place in May, it was agreed between the representative of the Government of the Soviet Union in London and the Foreign Office that, in the interests of the strengthening of friendly relations between the two countries, both parties would endeavour to settle by direct conversations any incidents which might arise, resorting to the dispatch of Notes only in the case of this friendly procedure failing to bring about a favourable result. After my arrival in London the Foreign Office personally confirmed that in the future we would adhere to this reasonable practice, which would remove avoidable misunderstandings and prevent future conflicts. By maintaining this rule we were able to liquidate in a friendly way a number of incidents affecting both countries.

As an instance I will mention the fact that my Government did not resort to a public protest and to creating conflict in connexion with the extremely important incident bearing upon the most vital interests of the Union which arose as a result of the declaration made by the Representative of the British Government, Professor Gilbert Murray, at the Conference of the League of Nations—a declaration which was in contradiction with our agreements of last year and with the provision of the new Treaties of August 8 concerning non-interference in our internal affairs, and which flagrantly violated the Note of the British Government on the recognition of the Soviet Union.

2. To my great regret, the Note which I received last night, in which absolutely unfounded accusations are made by the Foreign Office against the Soviet Government, at a moment when British opinion is concentrated upon the Anglo-Soviet Treaties and the future relations between Great Britain and the Soviet Union, constitutes an unexpected violation of the procedure which we mutually agreed upon.

3. As regards the subject matter of Mr. Gregory's Note, I declare in most categorical terms that the manifesto annexed to it is a gross forgery and an audacious attempt to prevent the development of friendly relations between the two countries. If, instead of departing from the established practice, the Foreign Office had in the first place approached me for an explanation, it would not have been difficult to convince them that they had been victims of deception on the part of the enemies of the Soviet Union. Not only the contents, but the heading and the signature of the document definitely prove that it is the work of malicious individuals who are inadequately familiar with the constitution of the Communist International. In circulars of the

[1] Reprinted from *The Times*, 27th October, 1924.

Communist International (which may be seen in the Press, for its activities are not concealed) it is never described as the 'Third Communist International'—for the simple reason that there has never been a first or a second Communist International. The signature is a similarly clumsy forgery. M. Zinovieff is made to sign himself as the 'President of the Presidium of the Executive Committee of the Communist International', whereas actually he is and always signs himself officially as 'President of the Executive Committee'. The whole of the contents of the document are, moreover, from the Communist point of view, a tissue of absurdities, intended simply to arouse British public opinion against the Soviet Union, and to frustrate the efforts being made by both countries to establish durable and friendly relations.

4. The evident falsity of this document relieves me of the necessity of replying to the conclusion drawn in the Foreign Office Note as to the responsibility of the Soviet Government for the activities of the Communist International, since they are based on the assumption that the document is authentic.

5. I protest categorically against this using of false documents against the Soviet Union and also against the violation of the procedure mutually established for the consideration of all incidents which may arise between the two countries. At the same time I express my conviction that the British Government will take the necessary steps to investigate the authorship of this malicious attempt to create a conflict between the two Governments. This will ensure the possibility of preventing in future the recurrence of similar incidents.

I have the honour to be, Sir, with highest consideration,

Your obedient servant,

C. Rakovski.

(4) Message, dated the 26th October, 1924, from M. Zinovieff to the British Trade Union Congress [1]

The so-called letter of a so-called Presidium of the Executive Committee of the Communist International, dated September 15, 1924, allegedly signed by me, is, of course, a gross falsification. There was not and could not be any such letter. We are prepared to allow the General Council of the Trade Unions, through a special commission or through its delegation to visit the U.S.S.R., and immediately to investigate the question regarding the authenticity of the alleged document. The decision of this Commission will be accepted by us as final.

VII. Exchange of Notes between the British and American Governments regarding an Inquiry into the Reparation Question.

(1) Note from the British Secretary of State for Foreign Affairs to the British Chargé d'Affaires at Washington, communicated to the U.S. Secretary of State on the 13th October, 1923 [2]

The information which reaches America will have acquainted the American Government with the extremely critical economic position that has arisen in Europe owing to failure to find any solution for the Reparation problem, which daily becomes more acute as the financial and political condition of Germany grows worse. There does not appear to be among the European

[1] Reprinted from *The Times, loc. cit.*

[2] Reprinted from *World Peace Foundation*, vol. vi, 1923, No. 5 ('Reparation, Part V, the Dawes Report').

powers that unity of thought which either renders common action feasible or will be successful in finding an early solution. His Majesty's Government have during the past nine months made a series of proposals to their Allies for meeting these difficulties, none of which has been so fortunate as to meet with a measure of acceptance sufficient to bring about common action. And yet, without such action, not merely Germany, but Europe, appears to be drifting into economic disaster. In these circumstances His Majesty's Government have for long entertained the belief that the co-operation of the United States Government is an essential condition of any real advance toward settlement. America, by reason of her position and history, is more disinterested than any of the European powers. At the same time she is directly and vitally concerned with the solution of the European problem, if for no other reason, because in it is involved the question of the inter-Allied debt.

When Mr. Hughes made his declaration in December last, both Great Britain and Germany made it clear that they would warmly welcome the proffered assistance; and whenever the suggestion has been revived it has met with the hearty approval of His Majesty's Government; the French Government hitherto has taken a different view. This lack of unity is, so far as His Majesty's Government are aware, the sole reason why the proposal has not been proceeded with.

His Majesty's Government were already engaged in formulating an inquiry to the United States Government as to the manner in which, in the opinion of the latter, the united action, which is the common desideratum, could best be brought about, when they read in the press yesterday morning a declaration, reported to have been made by President Coolidge, that the American Government rest on their proposal of December last. His Majesty's Government warmly welcome this declaration, and hope that they are justified in deducing from it that, if the European powers will join in such an inquiry, America will render the promised co-operation.

If His Majesty's Government have rightly interpreted the statement of the President, and if they may count upon an encouraging reception being given to such a proceeding, they will not hesitate to invite the immediate co-operation of their Allies in Europe in an invitation to the United States Government to assist in the proposed inquiry, by deputing a delegate, whether official or unofficial, to take part in it. If, on the other hand, it were proposed to hold such an inquiry although complete unanimity had not been forthcoming at this end, might His Majesty's Government and the majority of the Allies still hope for American co-operation? Alternatively, if it were proposed that such an inquiry should be intrusted to the Reparation Commission or to a body appointed by it, would America still be willing to participate?

It is in the firm belief that the American Government have it in their power to render a great service to the security and peace of the world that His Majesty's Government, speaking in the name of the whole British Empire as represented in the Imperial Conference now assembled in London, desire to associate themselves with the renewed proposal of the President, and they will be glad to receive from the American Government any suggestion that the latter may be disposed to offer in reply to the questions which I have ventured to put.

(2) Aide Mémoire, dated the 15th October, 1923, from the U.S. Secretary of State to the British Chargé d'Affaires [1]

In reply to the communication of His Majesty's *Chargé d'Affaires* of October 13, the Secretary of State desires again to express the deep interest of the United States in the economic situation in Europe and its readiness to aid in any practicable way to promote recuperation and a re-establishment of economic stability. The Government of the United States has viewed with

[1] Reprinted from *loc. cit.*

deep concern the lack, as His Majesty's Government expresses it, of that unity of thought on the part of the European powers essential to common action. The views of the Government of the United States as to the importance of agreement among the Allies and the relations of the Government of the United States to the question involved were set forth in the statement of the Secretary of State to which His Majesty's Government refers, and these views are still held. It is observed that His Majesty's Government states that Great Britain and Germany made it clear that the proffered assistance would be warmly welcomed by them and that His Majesty's Government has always heartily approved the suggestion, then made by the Secretary of State, whenever it has been revived, and that, so far as His Majesty's Government is aware, the sole reason why the proposal has not been proceeded with has been lack of unanimity among the interested powers.

It is believed that present conditions make it imperative that a suitable financial plan should be evolved to prevent economic disaster in Europe, the consequence of which would be world wide. It is hoped that existing circumstances are propitious for the consideration of such a plan inasmuch as the abandonment of resistance on the part of the German Government will present a freer opportunity and an immediate necessity for establishing an economic program. The Government of the United States is, therefore, entirely willing to take part in an economic conference in which all the European Allies chiefly concerned in German Reparations participate, for the purpose of considering the questions of the capacity of Germany to make Reparation payments and an appropriate financial plan for securing such payments. It is deemed advisable, however, to emphasize the following points :

1. Confirming what was said by the Secretary of State in his statement of last December to which you refer, the Government of the United States has no desire to see Germany relieved of her responsibility for the war or of her just obligations. There should be no ground for the impression that a conference, if called, should have any such aim or that resistance to the fulfilment of Germany's obligations has any support. It should be evident that, in the effort to attain the ends in view, regard must be had to the capacity of Germany to pay and to the fundamental condition of Germany's recuperation, without which Reparation payments will be impossible.

2. Such a conference should be advisory ; not for the purpose of binding Governments, who would naturally be unwilling to pledge their acceptance in advance, but to assure appropriate recommendations by a thoroughly informed and impartial body intent upon the solution of the difficult pending problems upon their merits.

3. The Secretary of State notes the observation in the communication of His Majesty's Government that the European problem is of direct and vital interest to the United States, ' if for no other reason, because the question of the inter-Allied debt is involved therein '. The Government of the United States has consistently maintained the essential difference between the questions of Germany's capacity to pay and of the practicable methods to secure Reparation payments from Germany, and the payment by the Allies of their debts to the United States, which constitute distinct obligations. In the statement of the Secretary of State, to which His Majesty's Government refers, it was said :

> The matter is plain enough from our standpoint. The capacity of Germany to pay is not at all affected by any indebtedness of any of the Allies to us. That indebtedness does not diminish Germany's capacity, and its removal would not increase her capacity. For example, if France had been able to finance her part in the war without borrowing at all from us, that is, by taxation and internal loans, the problem of what Germany could pay would be exactly the same. Moreover, so far as the debtors to the United States are concerned, they have unsettled credit balances, and their condition and capacity to pay can not be properly determined until the amount that can be realized on these credits for Reparations has been determined.

The Administration must also consider the difficulty arising from the fact that the question of these obligations which we would hold and what shall be done with them is not a question within the province of the Executive. Not only may Congress deal with public property of this sort, but it has dealt with it. It has created a commission and, instead of giving that commission broad powers such as the Administration proposed, which quite apart from cancellation might permit a sound discretion to be exercised in accordance with the facts elicited, Congress has placed definite restrictions upon the power of the commission in providing for the refunding of these debts.

It is hardly necessary to add, as it has frequently been stated by the Government of the United States, that while the American people do not favour cancellation of the debts of the Allies to the United States or of the transfer to the people of the United States of the burden of Germany's obligations, directly or indirectly, the Government of the United States has no desire to be oppressive or to refuse to make reasonable settlements as to time and terms of payment, in full consideration of the circumstances of the Allied debtors. It may be added that the establishment of sound economic conditions in Europe, the serious reduction of military outlays and the demonstration of a disposition of European peoples to work together to achieve the aims of peace and justice will not fail to have their proper influence upon American thought and purpose in connection with such adjustments.

In further reply to the communication of His Majesty's Government, it may be said that the Government of the United States is not in a position to appoint a member of the Reparation Commission inasmuch as such an appointment can not be made without the consent of the Congress. The Secretary of State has no doubt, however, that competent American citizens would be willing to participate in an economic inquiry, for the purposes stated, through an advisory body appointed by the Reparation Commission to make recommendations in case that course after further consideration should be deemed preferable.

As to the further question, whether American co-operation in an inquiry for the purposes described in the communication of His Majesty's Government could be hoped for in case unanimity of the European powers could not be had, the Government of the United States must again express the view that the questions involved cannot be finally settled without the concurrence of the European Governments directly concerned. Other Governments cannot consent for them ; and it would manifestly be extremely difficult to formulate financial plans of such importance and complexity without the participation of those whose assent is necessary to their fulfilment. In view of the existing exigencies it is hoped that the project of such an inquiry as is contemplated, of an advisory nature, might commend itself to all these powers and that the question suggested will not arise. But if it should arise, through lack of unanimity on the part of the European powers, the Government of the United States must reserve decision as to its course of action in order that the developments in such a contingency may be fully considered and that course taken which will give best promise of ultimate success in securing the desired end of re-establishing the essential conditions of European peace and economic restoration. To the attainment of that end, it may be repeated, the Government of the United States desires to lend its assistance in any manner that may be found feasible.

VIII. Exchange of Notes of the 16th August, 1924, regarding the Evacuation of the Ruhr.

(1) Note from MM. Herriot, Theunis, and Hymans to Dr. Marx [1]

We have the honour to inform you of the following statement which we make on behalf of our two Governments :

The French and Belgian Governments, confirming their previous declarations to the effect that the occupation of the Ruhr was carried out by them in virtue of the Treaty of Versailles, but being determined to respect the undertakings entered into at the time of the occupation, which had no object other than that of obtaining from Germany guarantees for the carrying out of her obligations, declare that if the London Agreements freely entered into for the putting into force of the Experts' Plan are carried out in the spirit of good faith and pacification which has inspired the deliberations of the Conference, they will proceed to the military evacuation of the Ruhr within the maximum period of one year from the present date. We shall be glad if your Excellency would acknowledge receipt of this communication.

(2) Reply from Dr. Marx to MM. Herriot, Theunis, and Hymans [2]

I have the honour to acknowledge receipt of your letter of to-day's date in which you communicate to me the declaration of the French and Belgian Governments regarding the evacuation of the Ruhr territory.

In taking note of this declaration, I maintain the point of view upheld on different occasions by the German Government that the occupation of German territories beyond the German frontiers fixed by Article 428 of the Treaty of Versailles cannot be recognized as lawful. At the same time I would express my conviction that it would be desirable to hasten as much as possible military evacuation so as to terminate it before the date fixed by you. I trust that the French and Belgian Governments will consider this point of view.

(3) Further Note from MM. Herriot, Theunis, and Hymans to Dr. Marx [3]

At the moment when the London Conference is about to close, a Conference which marks a serious effort to establish a *régime* of international concord, the French and Belgian Governments, desirous of giving immediate and spontaneous proof of their desire for peace and their confidence in undertakings freely entered into, have decided to order on the morrow of the final signatures the military evacuation of the zone between Dortmund and Hörde and of the territories outside the Ruhr occupied since January 11, 1923. This evacuation will be carried out simultaneously with the economic evacuation of the same zones.

(4) Reply from Dr. Marx to MM. Herriot, Theunis, and Hymans [4]

I have the honour to acknowledge receipt of your letter of to-day's date in which you confirm that on the morrow of the final signature of the London Agreement the military evacuation of the Dortmund–Hörde zone as well as that of the parts of territories occupied after January 11, 1923, and

[1] Reprinted from *The Times*, 18th August, 1924.
[2] Reprinted from *ibid., loc. cit.*
[3] Reprinted from *ibid., loc. cit.*
[4] Reprinted from *ibid., loc. cit.*

situated outside the Ruhr region, will be ordered. I rejoice at this decision which, in your confidence in the agreements which have been reached, you have taken to restore peace. The German Government is determined to be guided by the same spirit. It hopes that the carrying out of this decision will mark the beginning of a new era which will conduct us to a peaceful and fruitful development of the relations between our countries.

(5) Note from Mr. MacDonald to MM. Herriot and Theunis [1]

In view of the new agreement which has been reached regarding the occupation of the Ruhr and of the exchange of Notes between the three Governments primarily concerned, it is necessary that I should reiterate in writing the position of the British Government as I have so frequently explained it during the last two or three days.

The British Government has never recognized the legality of the occupation of the Ruhr or the interpretation of the clauses in the Treaty of Versailles upon which their Allies acted. They hoped that, as that occupation was undertaken solely for economic purposes, it would be withdrawn so soon as the Dawes Report was put into operation. The Expert Committee, because their terms of reference were too limited, had to refrain from making recommendations regarding this military occupation, but they made it clear that the economic effect of the occupation could not be overlooked if and when their Report was acted upon.

The Occupying Powers and the German Government have agreed to accept an arrangement by which the occupation shall not extend beyond 12 months from this date, but may be terminated earlier. The British Government, without prejudice to the position which they and their predecessors have taken up as to the interpretation of the Treaty, but being anxious to see the Dawes Report in operation, simply note the agreement, and urge most strongly that the Governments concerned should take every possible step to hasten the evacuation, as, in the opinion of the British Government, the continued occupation may prejudice the working of the Dawes plan, and jeopardize the arrangements agreed to at the London Conference.

IX. Agreement between the Kingdom of Italy and the Kingdom of the Serbs, Croats, and Slovenes concerning Fiume, signed at Rome on the 27th January, 1924.[2]

His Majesty the King of Italy and His Majesty the King of the Serbs, Croats and Slovenes, being convinced of the absolute impossibility of organizing in any practical fashion the Free State of Fiume referred to in Article 4 of the Treaty signed at Rapallo on November 12, 1920, and in accordance with the general provisions laid down in the Agreement signed at Rome on October 23, 1922 ; with the object of establishing cordial relations between the two States for the common welfare of both Peoples ; desirous of organizing in the most satisfactory manner the life of the City of Fiume and that form of economic development which is in the best interests of the City ; have decided to conclude an Agreement with this object, and . . . [the signatories] have agreed as follows :

Article 1. The Italian Government recognizes the full and entire sovereignty of the Kingdom of the Serbs, Croats and Slovenes over Port Baross and over the Delta, both of which will be evacuated and handed over to the competent

[1] Reprinted from *ibid.*, 19th August, 1924.

[2] Translation by the Secretariat of the League of Nations of the official French text registered with the League of Nations on the 7th April, 1924, reprinted from the *League of Nations Treaty Series*, vol. xxiv.

authorities of the Kingdom of the Serbs, Croats and Slovenes within two days following upon the exchange of ratifications of the present Agreement.

Article 2. The Government of the Serbs, Croats and Slovenes recognizes the full and entire sovereignty of the Kingdom of Italy over the City and Port of Fiume and over the territory assigned to it by the frontier line indicated in the following Article.

Article 3. The frontier of the Kingdom of the Serbs, Croats and Slovenes in the vicinity of Fiume, as fixed in Article 3 of the Treaty signed at Rapallo on November 12, 1920, is to be rectified in accordance with the provisions contained in the two preceding articles. This frontier-line will be drawn by a Special Mixed Commission composed of Italian delegates and Serb-Croat-Slovene delegates, along the line fixed in a general manner as follows :

> The Castua-Fiume road will be included in the territory of the Kingdom of the Serbs, Croats and Slovenes, from a point east of Tometici to the cross-roads north of Bergudi. The frontier will be drawn on the ground along a line to be fixed between the Castua-Fiume road and the railway. From this point, the frontier-line will run north-east, leaving Peklјn in Serb-Croat-Slovene territory, and will then, taking a convex curve to the north of Drenova, reach a point on the Recina, yet to be determined, in the northern half of the section of the frontier contained between the cairns Nos. VIII and IX.

The Kingdom of Italy recognises the full and entire sovereignty of the Kingdom of the Serbs, Croats and Slovenes over the territory thus assigned to the latter. This territory will be evacuated by Italy and handed over to the Kingdom of the Serbs, Croats and Slovenes as soon as the delimitation of the new frontier-line has been carried out by the Mixed Commission. The Mixed Commission will accomplish its work in such a way as to enable the aforesaid territory to be evacuated and handed over within five days following the exchange of ratifications of the present Agreement.

Article 4. In the relations between the frontier zones beyond the new frontier-line, and in the relations between the census area of Castua and the adjacent Italian territory, the provisions contained in the Supplementary Convention attached hereto (Annex A) [1] shall be observed, and shall remain in force until the conclusion of the Commercial Treaty which is to regulate the frontier traffic.

The two Contracting Parties agree that, in the aforesaid Treaty, in the settlement of questions relating to frontier traffic between the zones divided by the new frontier-line, particular attention shall be paid to the economic relations between the said zones and to the special needs of their populations.

Article 5. The Kingdom of Italy grants the Kingdom of the Serbs, Croats and Slovenes a fifty-years' lease of the covered and open sites in the Porto Grande of Fiume which form the Thaon di Revel Basin, as described in Article 5 of the additional Convention annexed hereto. The lease, which shall possess no extra-territorial character, shall include the sole and unlimited right to make use of the large warehouse on the ' Naples ' jetty, the two warehouses facing on the Thaon di Revel quay, and the two warehouses on the ' Genoa ' jetty facing westward, and the first claim to the use of the three quays which form the limits of the basin in question, with the accessories thereto.

The authorities of the Kingdom of the Serbs, Croats and Slovenes, and the staff under those authorities whose duty it is to supervise the traffic operations of their own State in this basin, shall perform their duties in accordance with the Supplementary Convention (Annex B) [1] attached to the present Agreement (Chapter I).

The Government of the Serbs, Croats and Slovenes shall pay the Italian Government an annual rent of 1 gold lira for the lease of the installations in the above-mentioned port.

[1] These supplementary conventions are too long to be reprinted here. The texts will be found in the *League of Nations Treaty Series, loc. cit.*

Article 6. The central railway station at Fiume shall be organized as an international frontier station. In accordance with the usual practice at international stations on the Italian frontier, a delegation representing the Serb-Croat-Slovene railways, consisting of a suitable number of officials, shall be attached to this station. This delegation shall co-operate with the Italian railway administration, particularly in operating the branches connecting the station situated in Serb-Croat-Slovene territory with the basin referred to in the preceding article and connecting that basin with Port Baross. The methods of co-operation to be followed are laid down in the Supplementary Convention (Annex B) attached to the present Agreement (Chapter II).

Article 7. The frontier between Fiume and Port Baross, passing along the quay, shall be delimited according to the line marked on the map attached to the Letter annexed to the Treaty of Rapallo, in such manner as the Delimitation Commission provided for in Article 3 may consider most convenient for the exercise of customs supervision by both States, regard being also had to the special needs of traffic, public order and communications in the city. The swing bridge between Port Baross and Porto Grande shall be in Italian territory.

The Kingdom of Italy recognizes the full and entire sovereignty of the Kingdom of the Serbs, Croats and Slovenes over the waters of Fiumara. On this side, therefore, the frontier-line shall be the edge of the western bank of the channel.

The passing and mooring of floating craft to the western (Italian) bank of the Fiumara shall be regulated in the attached Supplementary Convention (Annex B, Chapter III), in such a manner as not to impede navigation on the Fiumara.

For the maintenance of these rights of user over the Serb-Croat-Slovene waters of the channel, and in recognition of the sovereignty of the Kingdom of the Serbs, Croats and Slovenes over the said waters, the Italian Government shall pay the Government of the Kingdom of the Serbs, Croats and Slovenes an annual rent of 1 gold dinar.

Article 8. As regards the Fiume aqueduct and the upkeep of the works in connection with the river Recina, the provisions laid down in the attached supplementary Convention (Annex B, Chapter IV) shall be observed.

Article 9. Jugoslav minorities in Fiume shall be accorded the status granted to Italian minorities in Dalmatia by the international engagements in force.

Article 10. The present Agreement shall be ratified and the ratifications shall be exchanged at Rome not later than twenty days after the date of the signature of the present Agreement.

In faith whereof the Plenipotentiaries have signed the Agreement and have thereto affixed their seals.

X. Financial Reconstruction of Hungary : Protocol No. 1 (14th March, 1924).[1]

Declaration

The Government of His Britannic Majesty, the Government of the French Republic, the Government of His Majesty the King of Italy, the Government of His Majesty the King of Rumania, the Government of His Majesty the King of the Serbs, Croats and Slovenes and the Government of the Czecho-slovak Republic, of the one part,

At the moment of undertaking to assist Hungary in her work of economic and financial reconstruction,

Acting solely in the interests of Hungary and of the general peace, and in

[1] Reprinted from the *League of Nations Official Journal*, May 1924.

accordance with the obligations which they assumed when they agreed to become Members of the League of Nations,

Solemnly declare :

That they will respect the political independence, the territorial integrity and the sovereignty of Hungary ;

That they will not seek to obtain any special or exclusive economic or financial advantage calculated directly or indirectly to compromise that independence ;

That they will abstain from any act which might be contrary to the spirit of the Conventions which are to be drawn up in common with a view to effecting the economic and financial reconstruction of Hungary, or which might prejudicially affect the guarantees demanded by the Signatory Powers for the protection of the interests of the creditors ;

And that, with a view to ensuring the respect of these principles by all nations, they will, should occasion arise, appeal, in accordance with the regulations contained in the Covenant of the League of Nations, either individually or collectively, to the Council of the League of Nations, in order that the latter may consider what measures should be taken, and that they will conform to the decisions of the said Council.

The Government of Hungary, of the other part,

Undertakes, in accordance with the stipulations of the Treaty of Trianon, strictly and loyally to fulfil the obligations contained in the said Treaty, and in particular the military clauses, as also the other international engagements.

It will abstain from any action which might be contrary to the spirit of the Conventions which shall be drawn up in common with a view to effecting the economic and financial reconstruction of Hungary or which might prejudicially affect the guarantees demanded by the Signatory Powers for the protection of the interests of the creditors.

It is understood that Hungary will maintain, subject to the provisions of the Treaty of Trianon, her freedom in the matter of Customs tariffs and commercial or financial agreements, and, in general, in all matters relating to her economic régime or her commercial relations, provided always that she shall not violate her economic independence by granting to any State a special régime calculated to threaten this independence.

The present Protocol shall remain open for signature by all the States which desire to adhere to it.

In witness whereof the undersigned, duly authorized for this purpose, have signed the present Declaration.

Done on the fourteenth day of March, one thousand nine hundred and twenty-four, in a single copy, which shall be deposited with the Secretariat of the League of Nations and shall be registered by it without delay.

XI. Treaty of Alliance and Friendship between France and Czechoslovakia, signed at Paris on the 25th January, 1924.[1]

The President of the French Republic and the President of the Czechoslovak Republic, being earnestly desirous of upholding the principle of international agreements which was solemnly confirmed by the Covenant of the League of Nations, being further desirous of guarding against any infraction of the peace, the maintenance of which is necessary for the political stability and economic restoration of Europe, being resolved for this purpose to ensure respect for the international juridical and political situation created by the Treaties of which they were both signatories, and having regard to the fact that, in order to attain this object, certain mutual guarantees are indispensable

[1] Translation by the Secretariat of the League of Nations of the official French text registered with the League on the 15th March, 1924, reprinted from the *League of Nation Treaty Series*, vol. xxiii. The exchange of ratifications took place on the 4th March, 1924

for security against possible aggression and for the protection of their common interests . . . [the signatories] have agreed to the following provisions :

Article 1. The Governments of the French Republic and of the Czechoslovak Republic undertake to concert their action in all matters of foreign policy which may threaten their security or which may tend to subvert the situation created by the Treaties of Peace of which both parties are signatories.

Article 2. The High Contracting Parties shall agree together as to the measures to be adopted to safeguard their common interests in case the latter are threatened.

Article 3. The High Contracting Parties, being fully in agreement as to the importance, for the maintenance of the world's peace, of the political principles laid down in Article 88 of the Treaty of Peace of St. Germain-en-Laye of September 10, 1919, and in the Protocols of Geneva dated October 4, 1922, of which instruments they both are signatories, undertake to consult each other as to the measures to be taken in case there should be any danger of an infraction of these principles.

Article 4. The High Contracting Parties, having special regard to the declarations made by the Conference of Ambassadors on February 3, 1920, and April 1, 1921, on which their policy will continue to be based, and to the declaration made on November 10, 1921, by the Hungarian Government to the Allied diplomatic representatives, undertake to consult each other in case their interests are threatened by a failure to observe the principles laid down in the aforesaid declarations.

Article 5. The High Contracting Parties solemnly declare that they are in complete agreement as to the necessity, for the maintenance of peace, of taking common action in the event of any attempt to restore the Hohenzollern dynasty in Germany and they undertake to consult each other in such a contingency.

Article 6. In conformity with the principles laid down in the Covenant of the League of Nations, the High Contracting Parties agree that if in future any dispute should arise between them which cannot be settled by friendly agreement and through diplomatic channels, they will submit such dispute either to the Permanent Court of International Justice or to such other arbitrator or arbitrators as they may select.

Article 7. The High Contracting Parties undertake to communicate to each other all Agreements affecting their policy in Central Europe which they may have previously concluded, and to consult one another before concluding any further Agreements. They declare that, in this matter, nothing in the present Treaty is contrary to the above Agreements and in particular to the Treaty of Alliance between France and Poland, or to the Conventions and Agreements concluded by Czechoslovakia with the Federal Republic of Austria, Rumania, the Kingdom of the Serbs, Croats and Slovenes, or to the Agreement effected by an exchange of notes on February 8, 1921, between the Italian Government and the Czechoslovak Government.

Article 8. The present Treaty shall be communicated to the League of Nations in conformity with Article 18 of the Covenant.

The present Treaty shall be ratified and the instruments of ratification shall be exchanged at Paris as soon as possible.

In faith whereof the respective plenipotentiaries, being duly empowered for this purpose, have signed the present Treaty and have thereto affixed their seals.

XII. Pact of Friendship and Cordial Co-operation between the Kingdom of Italy and the Kingdom of the Serbs, Croats, and Slovenes, signed at Rome on the 27th January, 1924.[1]

The Government of His Majesty the King of Italy and the Government of His Majesty the King of the Serbs, Croats and Slovenes, being firmly resolved to secure peace and to safeguard the results obtained during the great war and sanctioned by the Treaties of Peace, have concurred in the conclusion of the present Convention as a natural consequence of the friendship between the two Kingdoms and of the respect of each for the rights of the other both on land and on sea, and have agreed upon the following Articles:

Article 1. The two High Contracting Parties undertake to afford each other support and cordial co-operation in order to maintain the position established by the Treaties of Peace concluded at Trianon, Saint Germain and Neuilly, and to ensure respect and fulfilment of the obligations laid down in those Treaties.

Article 2. In the event of one of the High Contracting Parties suffering an unprovoked attack from any Power or Powers, the other Party undertakes to remain neutral throughout the conflict. Furthermore, in the event of the safety and the interests of one of the High Contracting Parties being threatened as the result of forcible incursions from without, the other Party undertakes to afford political and diplomatic support in the form of friendly co-operation for the purpose of assisting to remove the external cause of such threat.

Article 3. In the event of international complications, if the two High Contracting Parties are agreed that their common interests are or may be threatened, they undertake to consult one another as to the steps to be taken in common to protect those interests.

Article 4. The present Convention shall remain in force for five years, and may be denounced or renewed one year before its expiration.

Article 5. The present Treaty shall be ratified and the ratifications shall be exchanged at Rome. It shall come into force immediately upon the exchange of ratifications.

In faith whereof the respective Plenipotentiaries have signed it in duplicate and have thereto affixed their seals.

Supplementary Protocol to the Pact of Friendship and Cordial Co-operation between the Kingdom of Italy and the Kingdom of the Serbs, Croats, and Slovenes, signed at Rome on the 27th January, 1924

Article 1. The High Contracting Parties undertake to communicate to each other, after previous consultation, such Agreements as affect their policy in Central Europe, and declare in this connection that the Pact of Friendship signed on this day's date contains nothing contrary to the Treaties of Alliance which the Kingdom of the Serbs, Croats and Slovenes has concluded with the Czechoslovak Republic and the Kingdom of Rumania on August 31, 1922, and July 7, 1923, respectively.

Article 2. The Pact of Friendship concluded on this day's date and the present Supplementary Protocol shall be presented to the League of Nations for registration in conformity with Article 18 of the Covenant.

[1] Translation by the Secretariat of the League of Nations of the official French text registered with the League of Nations on the 7th April, 1924, reprinted from the *League of Nations Treaty Series*, vol. XXIV. The exchange of ratifications took place at Rome on the 22nd February, 1924.

XIII. Pact of Cordial Collaboration between the Kingdom of Italy and the Czechoslovak Republic, signed at Rome on the 5th July, 1924.[1]

The Government of His Majesty the King of Italy and the Government of the Czechoslovak Republic, being anxious to maintain peace and desirous of co-operating to ensure the stability and economic reconstruction of Europe, and being firmly resolved to ensure the maintenance of the international legal and political situation established by the Treaties of Peace, have agreed to conclude the present Pact of Cordial Collaboration, which is a natural consequence of the friendship existing between the two Contracting Parties and of the respect of each for the rights of the other, and to this end have agreed upon the following provisions :

Article 1. The High Contracting Parties will decide in concert upon the measures best designed to protect their common interests in the event of their being agreed as to the existence or possibility of a menace.

Article 2. The two High Contracting Parties undertake to afford mutual support and assistance in order to ensure the maintenance of the situation established by the Treaties of Peace concluded at St. Germain-en-Laye, Trianon and Neuilly, and the observance and fulfilment of the obligations specified in the said Treaties.

Article 3. The present Convention shall remain in force for five years and may be denounced or renewed one year before its expiration.

Article 4. The present Treaty shall be communicated to the League of Nations in accordance with Article 18 of the Covenant.

The present Treaty shall be ratified and the ratifications shall be exchanged at Rome.

It shall come into force immediately upon the exchange of ratifications.

In faith whereof the respective Plenipotentiaries have signed this Treaty in duplicate and have thereto fixed their seals.

[1] Translation by the Secretariat of the League of Nations from the official French text registered with the League on the 14th July, 1924, reprinted from the *League of Nations Treaty Series*, vol. xxvi. The exchange of ratifications took place at Rome on the 21st August, 1924.

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MAP OF THE U.S.S.R.

EUROPEAN TERRITORY

SHOWING POLITICAL AND ADMINISTRATIVE DIVISIONS

REFERENCE

INTERNATIONAL BOUNDARY

BOUNDARIES OF REPUBLICS COMPRISING THE UNION OF SOC. REP.

" " AUTONOMOUS REPUBLICS & PROVINCES

" " PROVINCES

A.S.S.=AUTONOMOUS SOCIALIST SOVIET; S.F.S.=SOCIALIST FEDERAL SOVIET ; S.S.=SOCIALIST SOVIET

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" " PROVINCES
ABBREVIATIONS
A.S.S. = AUTONOMOUS SOCIALIST SOVIET
S.S. = SOCIALIST SOVIET
S.F.S. = SOCIALIST FEDERAL SOVIET
ARCTIC OCEAN
BEHRING STRAIT
BEHRING SEA
NOVAYA ZEMLYA
KARA SEA
WHITE RUSSIA S.S.R.
UKRAINIAN SS REPUBLIC
BLACK SEA
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TRANS-CAUCASIAN S.F.S.R.
CASPIAN SEA
PERSIA
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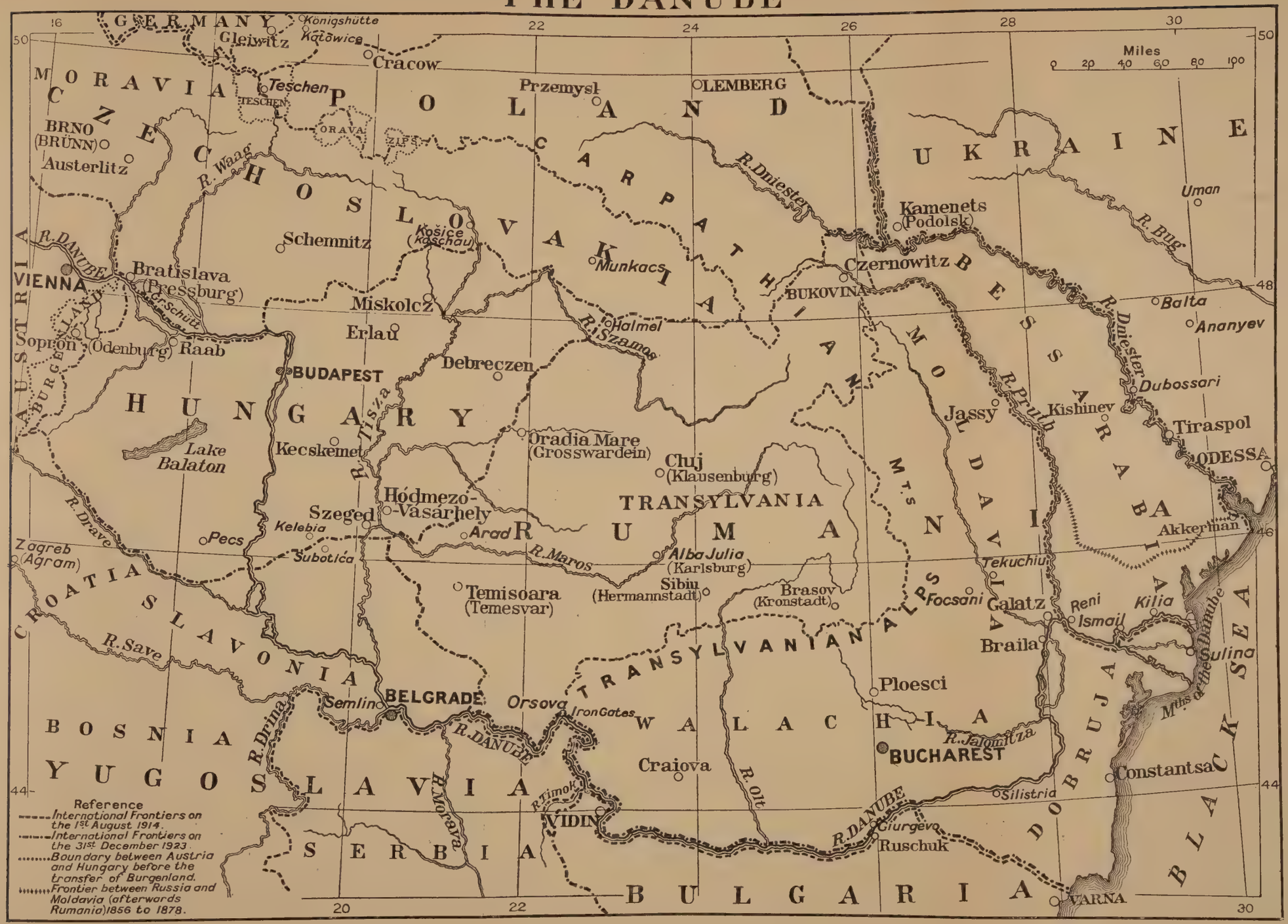
RUSSIAN S.F.S. REPUBLIC
YAKUTSK A.S.S. REP
KAMCHATKA
PETROPAVLOVSK KAMCHATSKY
SEA OF OKHOTSK
KURILE ISLANDS
SAGHALIEN
YEZO
JAPAN
SEA OF JAPAN
MANCHURIA
MONGOLIA
KIRGHIZ A.S.S. REPUBLIC
TURKOMAN S.S.R.
UZBEK S.S.R.
KARA-KIRGHIZ A.S.S.R.
TADJIKSK A.S.S.R.
KARA-KALPAK A PROV.
OIRATSK A.PROV.
MONGOL-BURYAT A.S.S.R.
BALKASH LAKE
ARAL SEA
SIR DARIA
KHIVA
TCHIMBAN
POLTORATZK
DUSHAMBE
SAMARKAND
TASHKENT
ALMA-ATA
DJELALABAD
KOKAND
PERM
SVERDLOVSK
PETROPAVLOVSK
TOBOLSK
OB
OMSK
TOMSK
NOVO-NIKOLAEVSK
BARNAUL
ULALA
IRTISH R.
URALSK
ORENBURG
YENISEI R.
KRASNOYARSK
LENA R.
YAKUTSK
IRKUTSK
LAKE BAIKAL
VERKHNEUDINSK
CHITA
SHILKA R.
ARGUN R.
BLAGOVIESHCHENSK
KHABAROVSK
AMUR
USURI R.
VLADIVOSTOK
NIPPON

THE RHINELAND

THE DANUBE



GERMANY
Königshütte
Gleiwitz
Katowice
Cracow
MORAVIA
Teschen
TESCHEN
POLAND
Przemysl
LEMBERG
BRNO (BRÜNN)
Austerlitz
CZECHOSLOVAKIA
ORAVA
ZIPS
CARPATHIAN
R. Waag
R. Dniester
UKRAINE
Uman
Kamenets (Podolsk)
R. Bug
Schemnitz
Košice (Kaschau)
Munkacs
Czernowitz
BUKOVINA
BESSARABIA
R. Dniester
Balta
Ananyev
AUSTRIA
R. DANUBE
VIENNA
Bratislava (Pressburg)
Gr. Schütt
Miskolcz
Halmel
R. Szamos
Erlau
Sopron
(Ödenburg)
Raab
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BUDAPEST
Debreczen
MOLDAVIA
R. Pruth
Jassy
Kishinev
Dubossari
Tiraspol
ODESSA
HUNGARY
R. Tisza
Lake Balaton
Kecskemet
Oradia Mare (Grosswardein)
Cluj (Klausenburg)
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Hódmezo-Vásárhely
Szeged
Kelebia
Arad
RUMANIA
Mts
Akkerman
R. Drave
Pecs
Subotica
R. Maros
Alba Julia (Karlsburg)
Zagreb (Agram)
CROATIA
Temisoara (Temesvar)
Sibiu (Hermannstadt)
Brasov (Kronstadt)
Tekuchiu
Focsani
Galatz
Reni
Ismail
Kilia
Sulina
Mths of the Danube
SLAVONIA
R. Save
TRANSYLVANIAN ALPS
Braila
Ploesci
Semlin
BELGRADE
Orsova
Iron Gates
WALACHIA
R. Jalomitza
BUCHAREST
BOSNIA
R. Drina
R. DANUBE
Craiova
R. Olt
DOBRUJA
Constantsa
YUGOSLAVIA
R. Morava
R. Timok
VIDIN
Silistria
R. DANUBE
Giurgevo
Ruschuk
SERBIA
BULGARIA
VARNA
BLACK SEA
Miles
0 20 40 60 80 100
16 22 24 26 28 30
50 48 46 44
20 22 30
Reference
International Frontiers on the 1st August 1914.
International Frontiers on the 31st December 1923.
Boundary between Austria and Hungary before the transfer of Burgenland.
Frontier between Russia and Moldavia (afterwards Rumania) 1856 to 1878.

THE WORLD

Persons per square mile
Over 512
128 to 512
26 to 128
2 to 26
Under 2
Abbreviations
B. Basra
F. B. Franco-British
G. Gibraltar
G. B. Great Britain
H. Holland
N. Z. New Zealand
P. T. Portuguese Timor
P. A. Port Arthur
S. Suez
S. Singapore
U. Uganda
U. S United States.
MOLLWEIDE'S PROJECTION (EQUAL AREA)

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